Hermana Holding ASA

Half-year 2026 Report

HERMANA

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The half-year in brief

Highlights

- During this period, Hermana Holding ASA ("Hermana", "the Group") evaluated potential investments across various sectors, of which several are still relevant. Investment research and evaluation is performed in line with the company's communicated opportunity-driven and patient approach to capital allocation. Hermana maintains continuous contact with banks, investors, owners of growth companies, and others regarding attractive opportunities.
- Hermana's main business is still royalty design rights related to the Western Isles FPSO (floating production, storage and offloading unit). The timing of payments received is conditional on the FPSO's production. No royalty revenue was recorded in this half-year.
- The Group earned NOK 0.6 million in operating revenue in the first half-year of 2026 (NOK 0.6 million in the first half of 2025). Operating expenses were NOK 4.0 million (NOK 2.9 million in the first half of 2025), mainly for management support services from Magnora ASA.
- As of 30 June 2026, cash and cash equivalents was NOK 102.5 million (NOK 59.8 million per 30 June 2025). Cash generated from operating activities was negative NOK 1.8 million (negative NOK 1.7 million per 30 June 2025). There were no cash flows from investing and financing activities in the half-year.
- As of 30 June 2026, the equity ratio is 99.2% (98.0% as of 30 June 2025). The Group has no interest-bearing debt and total assets of NOK 112.0 million (NOK 111.9 million as of 30 June 2025).

Subsequent events

- As of the publishing date, there are no significant events since the end of the half-year.

Outlook

- The design royalty rights related to the Western Isles FPSO represent an expected large and long-term revenue. Hermana is entitled to USD 0.50 per barrel of oil equivalents produced and offloaded from the FPSO for its lifetime, and the hull's design life is 30-50 years. Hermana does not have information about the exact timing of the redeployment of the Western Isles FPSO. According to media, the owners of the vessel are in sales discussions, so we are positive to redeployment of the vessel.
- Hermana continues to evaluate investment opportunities in accordance with its capital allocation strategy, with a focus on value-accretive deployment of available funds.

About Hermana Holding

Hermana is an investment and royalty company listed on the Oslo Stock Exchange since June 2024, having evolved from the legacy business of Sevan Marine ASA, renamed Magnora ASA in 2018. Sevan Marine ASA designed FPSOs (floating production, storage and offloading units) for the offshore oil and gas industry. Sevan Marine's business was sold to SembCorp Marine in 2018, but two licence agreements remained with Sevan Marine ASA alongside the company's deferred-tax assets.

The licence agreement for the Western Isles FPSO does not currently generate revenues for Hermana, but future revenues from this FPSO (USD 0.50 per barrel of oil equivalent) are expected to last more than two decades. It features a storage capacity of 400,000 barrels, a production capacity of 44,000 barrels per day, 17 riser slots and an offloading rate of 3,500 m3/hour. The vessel is versatile and can operate in harsh conditions.

Hermana has a structured, but pragmatic and opportunity-driven approach to the capital allocation of the current funds and the royalty proceeds. The main options are equity investments in non-listed companies and/or a transformational deal with another company. Hermana will only invest where the expected return on capital is favourable. Any return of capital to shareholders will be in the form of repayment of paid-in capital.

Risk and uncertainty

Hermana Holding ASA with its subsidiary Western Isles Holding AS ("the Group"), is exposed to a broad range of risks, including but not limited to: climate risk (both physical and transitional), regulatory and political risk, contract risk, tax risk, inflation risk, currency risk, project execution risk, reservoir performance risk, counterparty risk, market and price volatility, liquidity and credit risk, key personnel risk, compliance risk, and operational risk related to asset integrity and performance.

The Group's risk management framework is designed to identify, assess, and mitigate material risks that could adversely impact financial performance or strategic objectives. While a comprehensive overview of risks and mitigation strategies is provided in the annual report, this half-year update highlights the most relevant risks as of the reporting date.

Climate risk: Both physical and transitional climate risks are considered significant. Rising global temperatures, increased frequency of extreme weather events, and shifting environmental conditions may affect offshore operations. While the Western Isles FPSO is designed to operate in harsh environments, physical climate could still impact uptime. Transitional climate risk includes evolving regulatory frameworks, such as changes in taxation, energy policy, and licensing regimes. A key mitigating factor is the mobility of the FPSO, which allows for relocation to more favourable jurisdictions or projects. The Western Isles FPSO is also technically adaptable for future electrification.

Operational and project risk: The Group's revenue is directly linked to oil and gas production through a licence fee agreement. Project delays, reservoir underperformance, or operational disruptions may then impact income. Market risk is also relevant, encompassing fluctuations in commodity prices, demand, supply, and competitive positioning. These factors contribute to uncertainty around both timing and volume of future cash flows. At present, the timing of the redeployment of the Western Isles vessel is difficult to estimate based on the information available to the Group.

Counterparty risk: The Group is exposed to the financial and operational stability of the FPSO owner and operator. Broader counterparty risk also applies to customers and suppliers, where unforeseen financial distress could disrupt operations or cash flows.

Currency and inflation risk: Licence fees are in USD, exposing the Group to currency fluctuations relative to NOK. This represents both risk and opportunity and is actively monitored. Inflation risk is also relevant, particularly as the USD 0.50 per barrel licence fee is not indexed. High inflation could erode the real value of this income stream and influence discount rates used in valuation models. The Group seeks to mitigate this through cost discipline and potential investments in inflation-resilient assets.

Investment and liquidity risk: For any new investments, the Group faces the risk of returns falling below the cost of capital and potential liquidity constraints. These risks are addressed through rigorous investment analysis, disciplined capital allocation, and a strong balance sheet.

The Group continuously monitors its risk exposure at both the corporate and asset level. While risk-taking is necessary to generate returns, the Group avoids risks that do not offer commensurate rewards. The Group emphasises risk awareness and adherence to internal controls.

The Hermana share

The Group has 13,743,184 shares outstanding as of 30 June 2026. At this date, the share price was NOK 15.00. Market capitalisation was thus NOK 206 million. As of the date of this report, the Group does not own any of its own shares.

Oslo, Norway, 14 July 2026

The Board of Directors of Hermana Holding ASA

Erik Sneve	Lars Ørving Eriksen	Hannah Høydal	Morten Strømgren
Chairman of the Board	Board member	Board member	CEO

Interim condensed consolidated financial statements

Interim consolidated statement of profit and loss

NOK million	Note	H1 2026	H1 2025	2025
Operating revenue	3	0.6	0.6	1.2
Other operating expense	5,6	-4.0	-2.9	-6.4
EBITDA		**-3.4**	**-2.3**	**-5.3**
Operating profit/(loss)		**-3.4**	**-2.3**	**-5.3**
Financial income/(expense)		2.0	-	0.9
Foreign exchange gain/(loss)		-	-9.5	-9.3
Net financial items		**2.0**	**-9.5**	**-8.4**
Profit/(loss) before tax		**-1.4**	**-11.8**	**-13.7**
Tax income/(expense)		-	-	0.2
Net profit/(loss)		**-1.4**	**-11.8**	**-13.4**
Net profit/(loss) attributable to:				
Equity holders of the parent		-1.4	-11.8	-13.4
Non-controlling interests		-	-	-

Earnings per share

	H1 2026	H1 2025	2025
Earnings per share (NOK):			
- Basic	-0.10	-0.88	-0.99
- Diluted	-0.10	-0.88	-0.99
Weighted avg. no. of ordinary shares outstanding	13,743,184	13,418,740	13,536,962
Weighted diluted avg. no. of ordinary shares outstanding	13,743,184	13,418,740	13,536,962

Interim consolidated statement of comprehensive income

NOK million	H1 2026	H1 2025	2025
Net profit/(loss)	-1.4	-11.8	-13.4
Other comprehensive income			
Items which may be reclassified to profit/(loss)			
Foreign currency translation	-	-	-
Total comprehensive income	**-1.4**	**-11.8**	**-13.4**
Total comprehensive income attributable to parent equity holders	**-1.4**	**-11.8**	**-11.7**

Interim consolidated statement of financial position

NOK million	Note	30.06.2026	30.06.2025	31.12.2025
ASSETS				
Deferred tax assets	2	8.0	7.8	8.0
Total non-current assets		**8.0**	**7.8**	**8.0**
Trade and other receivables		0.6	44.3	0.4
Other current financial assets	4	0.9	-	-
Cash and cash equivalents		102.5	59.8	104.3
Total current assets		**104.0**	**104.1**	**104.8**
TOTAL ASSETS		**112.0**	**111.9**	**112.8**
EQUITY AND LIABILITIES				
Share capital		13.7	13.4	13.7
Share premium		35.7	35.7	35.7
Other equity		61.6	60.5	62.6
TOTAL EQUITY		**111.1**	**109.7**	**112.1**
Total non-current liabilities		**-**	**-**	**-**
Trade payables		0.9	2.2	0.7
Other current liabilities		0.1	-	-
Total current liabilities		**0.9**	**2.2**	**0.7**
TOAL LIABILITIES		**0.9**	**2.2**	**0.7**
Total equity and liabilities		**112.0**	**111.9**	**112.8**

Interim consolidated statement of changes in equity

NOK million	Note	Share capital	Share premium	Other equity	Total equity
Equity as at 1 January 2026		13.7	35.7	62.6	112.1
Total comprehensive income for the period		-	-	-1.4	-1.4
Share issue		-	-	-	-
Share-based payments	6	-	-	0.5	0.5
Equity as at 30 June 2026		**13.6**	**35.7**	**61.6**	**111.1**
Equity as at 1 January 2025		13.4	32.4	75.6	121.5
Total comprehensive income for the period		-	-	-13.4	-13.4
Share issue		0.3	3.3	-	3.6
Share-based payments		-	-	0.4	0.4
Equity as at 31 December 2025		**13.7**	**35.7**	**62.6**	**112.1**

Interim consolidated statement of cash flow

NOK million	Note	H1 2026	H1 2025	2025
Cash flows from operating activities				
Profit/(loss) before tax		-1.4	-11.8	-13.7
Share- based payment - non cash to equity	6	0.5	-	0.4
Unrealised effects included in operating profit/(loss)		-	9.5	-
Changes in net working capital		-0.8	0.6	8.7
Net cash generated from operating activities		**-1.8**	**-1.7**	**-4.5**
Cash flows from investing activities				
Part settlement of demerger receivable		-	-	88.7
Net cash generated from investing activities		**-**	**-**	**88.7**
Cash flows from financing activities				
Share issue		-	44.9	3.6
Net cash flow from financing activities		**-**	**44.9**	**3.6**
Net cash flows for the period		**-1.8**	**43.2**	**87.8**
Cash and cash equivalents at start of period		104.3	16.6	16.6
Cash and cash equivalents at end of period		**102.5**	**59.8**	**104.3**

Notes to the interim condensed consolidated financial statements

Note 1 General information and accounting policies

Hermana Holding ASA ("the Company") is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Karenslyst Allé 6, 0278 Oslo. The Company is listed on the Oslo Stock Exchange main list, ticker: HERMA.
Hermana Holding ASA and its subsidiary (together "the Group" or "Hermana") are engaged in FPSO-related royalty activities, with the Group's remaining royalty entitlement linked to the Western Isles FPSO. In addition, the Group evaluates potential equity and royalty-based investments for the deployment of available capital.
The condensed consolidated interim financial statements consist of the company and the company's interest in it's subsidiary.

The Group prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and these financial statements have been prepared in accordance with the International Accounting Standard for Interim Financial Reporting (IAS 34). The interim financial statements do not include the full information and disclosures as required in the annual financial statements and should therefore be read in conjunction with the Annual Financial Statements for the year 2025.

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures ("APMs") that came into force on 3 July 2016. Hermana has defined and explained the purpose of the following APM:

EBITDA

EBITDA, as defined by Hermana, includes total operating revenue and expenses, and excludes depreciation, amortisation, and impairment loss.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Annual Financial Statements for the year ended 31 December 2025.

Note 2 Accounting estimates

Deferred tax assets are recognised for unused tax losses only when it is considered probable that future taxable profits will be available against which the losses can be utilised. This assessment involves significant judgement, particularly in estimating the timing and magnitude of future taxable income. Based on current forecasts of operating income and cost levels, the recognised deferred tax asset is expected to be utilised over a period of 5 years. The recognised amount represents only a limited portion of the total accumulated tax losses carried forward of NOK 423 million.

Note 3 Operating revenue

NOK million	H1 2026	H1 2025	2025
Advisory services revenue	0.6	0.6	1.2
Total operating revenue	**0.6**	**0.6**	**3.9**

Note 4 Financial assets

The group holds no marketable securities as of 30 June 2026.
Financial assets at the reporting date comprise of interest receivables of NOK 0.9 million.

Note 5 Other operating expenses

Other operating expenses for the first half of 2026 primarily comprise external management service costs, remuneration to the Board of Directors, share-based payment expenses (see Note 6 – Share options), and other ancillary costs.

During the First half of 2026, the Group incurred NOK 1.8 million in management service costs from Magnora ASA. Although Magnora disposed of its remaining 30% shareholding in Hermana Holding ASA in June 2025, Magnora remained a related party during the period as it continued to provide key management personnel services to Hermana under a management services agreement. The agreement is based on agreed hourly rates. In addition, the Chair of Hermana's Board of Directors serves as CEO of Magnora ASA.

Note 6 Share options

Board of Directors members have been granted share options, approved by an Extraordinary General Meeting in 2025. The programme is equity settled and accounted for in accordance with IFRS 2. Equity-settled awards are measured at fair value at the grant date using the Black–Scholes valuation model and recognised as an expense on a straight-line basis over the vesting period. The expense is adjusted for expected forfeitures based on non-market vesting conditions.

During the first half of 2026, there were no new share options granted and a share-based payment expense of NOK 0.5 million was recognised and included in other operating expenses. On 30 June 2026, there were 775,000 options outstanding, of which none were exercisable.

Note 7 Subsequent events

There have been no significant events after the reporting period that would materially affect the Group's financial position or operations.

Responsibility statement

We confirm, to the best of our knowledge, that the interim consolidated financial statements for the period 1 January to 30 June 2026 have been prepared in accordance with IAS 34 - Interim Financial Reporting and give the true and fair view of the Group's assets, liabilities, financial position and profit and loss as a whole. We also confirm, to the best of our knowledge, that the Interim Financial Report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties' transactions.

Oslo, Norway, 14 July 2026

The Board of Directors of Hermana Holding ASA

Erik Sneve	Lars Ørving Eriksen	Hannah Høydal	Morten Strømgren
Chairman of the Board	Board member	Board member	CEO