Half Year Report

27 August 2026

polarresources.no

Contents

About Polar Resources

Polar Resources AS (the "Company") is a Norwegian natural resources company focused on minerals exploration in Norway and also selectively pursuing oil and gas upstream acquisitions with an initial geographical focus on Europe, Latin America and South-East Asia. Polar Resources AS currently holds exploration licences covering four areas in Central Norway with reported occurrences of copper and zinc mineralisation.

The Company is listed on Euronext Growth Oslo under the ticker POLAR.

Highlights, Events and Updates

First Half 2026

Key events

- The Company was established in 2022 as a junior exploration company with an initial focus on critical minerals in Norway. In the first half of 2026, the Company broadened its strategic mandate to include pursuing acquisitions opportunities within the oil and gas sector, targeting producing, cash flow-generating assets in Europe, Latin America, and Southeast Asia.
- To support this strategy, Polar strengthened its board of directors (the "Board") with the appointments of Mr. John Hamilton in June 2026 and Mr. Garrett Soden in July 2026. The Board has a strong track record of value creation driven by sourcing, structuring and executing accretive transactions and intends to use its extensive collective experience and expertise to identify and complete acquisitions.
- While broadening its strategic mandate and preparing for the listing on Euronext Growth Oslo, the Company remained in the exploration and development phase throughout the first half of 2026 and did not generate operating revenues during this period. Accordingly, the Company's financial performance primarily reflects corporate overhead costs, business development activities, financing costs and expenses associated with maintaining its exploration portfolio and advancing its strategic initiatives.
- In June 2026, the Company applied for admission of its shares to trading on Euronext Growth Oslo and subsequent to the end of the quarter, successfully completed the listing on 9 July 2026.
- In connection with the listing, the Company completed an offering of 7,142,857 new shares at a subscription price of NOK 7.00 per share, raising gross proceeds of NOK 50 million. The offering attracted significant interest from Nordic and international investors, with participation from more than 750 investors in an oversubscribed retail offering.
- In connection with the offering, a wholly owned subsidiary of Trafigura, one of the world largest commodities trading group, participated as a cornerstone investor and entered into a material agreement with the Company. This agreement grants Trafigura certain offtake, board representation and participation rights in future equity issuances, which remain in effect for as long as Trafigura remains a shareholder of the Company.

Financial Update

- The Company reported a net loss of NOK 5.6 million for the period ended 30 June 2026. The net loss reflects corporate overhead costs, employee expenses, financing costs associated with shareholder loans, and costs associated with preparations for its listing on Euronext Growth Oslo.
- On 18 June 2026, ahead of the listing and in order to secure short-term financing, the Company completed a private placement of NOK 0.5 million, in which Chairman of the Board of Directors, Julien Balkany, subscribed for the full amount. As at 30 June 2026, the Company had NOK 0.5 million in cash and cash equivalents.

Financial information

Financial review and position

Following completion of the offering in July 2026, raising gross proceeds of NOK 50 million, the Company's liquidity position has been materially strengthened. The proceeds are intended to fund the Company's ongoing operations and planned activities, including corporate overhead, business development opportunities the evaluation and pursuit of potential acquisitions and expenditures related to its existing mineral exploration portfolio.

Operating result

The Company remained in the development phase throughout 1H 2026 and did not generate operating revenues during the period. Accordingly, the Company's financial performance primarily reflects corporate overhead costs, business development activities, financing costs and expenses associated with maintaining its exploration portfolio and advancing its strategic initiatives.

The Company reported a net loss of NOK 5.6 million for the six months ended 30 June 2026, compared with a net loss of NOK 2.1 million for the corresponding period in 2025. The increase in the net loss primarily reflects higher operating expenses associated with the development of the Company, business development activities and preparations for the listing on Euronext Growth Oslo.

Operating expenses increased to NOK 5.5 million in the first half of 2026 from NOK 1.9 million in the corresponding period in 2025. Net financial expenses amounted to NOK 0.2 million in both periods and primarily related to interest on shareholder loans used to fund the Company's operations.

Financial position – from 31 December 2025 to 30 June 2026

Total assets increased from NOK 0.05 million as at 31 December 2025 to NOK 0.6 million as at 30 June 2026, primarily reflecting an increase in cash and cash equivalents.

Total equity improved from negative NOK 7.4 million as at 31 December 2025 to negative NOK 3.1 million as at 30 June 2026, mainly reflecting the conversion of certain liabilities into equity during the period, partly offset by the loss for the period.

Current liabilities decreased from NOK 7.4 million as at 31 December 2025 to NOK 3.7 million as at 30 June 2026, primarily reflecting the conversion of certain liabilities into equity during the period.

Cash flows

Net cash used in operating activities amounted to NOK 42,000 in the first half of 2026, compared with NOK 68,000 in the corresponding period in 2025. The relatively limited operating cash outflow primarily reflected an increase in short-term payables during the period.

The Company had no cash flows from investing activities during the first half of 2026.

Net cash flow from financing activities amounted to NOK 0.5 million, reflecting proceeds from equity issues. Cash and cash equivalents amounted to NOK 0.5 million as at 30 June 2026, compared with NOK 12,000 as at 30 June 2025.

Risk and Uncertainties

The Company is exposed to a number of risks and uncertainties which may affect its business, financial condition, results of operations and prospects. A more detailed and comprehensive analysis of the principal risks and uncertainties which the Company faces are described in the Company's Annual Report for 2025 and in the information document published in connection with the Company's admission to trading on Euronext Growth, both available at www.polarresources.no. The Board considers that there have been no material changes to the principal risks and uncertainties described therein. A summary of the main risk areas is set out below.

The Company is an early-stage junior exploration company with mineral exploration licenses in Central Norway. The Company has no documented operating history, and there is a risk that the Company may not achieve profitability. Key operational risks relating to the Company's mineral exploration activities include: (i) the risk that exploration activities and investments made will not result in the discovery of commercially viable mineral deposits; (ii) significant uncertainty associated with estimates of mineral resources and reserves, including the size, value and commercial viability of any such resources, as such estimates are based on studies, assumptions and calculations involving varying degrees of uncertainty and may in the future be proven to be inaccurate or incorrect; (iii) regulatory and permitting risks, including potential opposition from NGOs, local communities and other stakeholders in relation to the Company's license areas, in particular due to proximity to protected natural environments, which may delay, restrict or prevent planned exploration activities; and (iv) the Company is dependent on key personnel, board of directors and relevant advisers and consultants to advance its projects and execute on its strategy, and there is a risk that the Company may be unable to attract and retain the personnel necessary to execute its strategy as its activities develop.

As part of its strategy, the Company may also pursue acquisitions within the natural resources industry, including oil and gas. Key risks relating to this strategy include: (i) the risk that the Company will not be able to identify, negotiate, finance or consummate suitable acquisitions on acceptable terms, or at all; (ii) the risk that acquired assets may underperform expectations, that integration may prove more difficult than anticipated, and that unforeseen liabilities – including environmental remediation obligations and decommissioning liabilities – may arise; and (iii) regulatory complexity and political risk associated with acquisitions in multiple jurisdictions.

The Company has not generated revenue to date and its operations are currently funded by existing cash resources. Following completion of the offering in July 2026, the Company's liquidity position has been materially strengthened. The Company may, however, require additional capital in the future to pursue acquisitions, accelerate its activities or otherwise execute its strategic objectives. Future equity financings may result in dilution for existing shareholders.

Income Statement

Amounts in NOK	*Note*	YTD 2026 *(Unaudited)*	YTD 2025 *(Unaudited)*
Operating expenses			
Other operating expenses	6	-3,414,426	-709,741
Employee expenses	3,6	-2,040,361	-1,229,471
Total operating expenses		**-5,455,057**	**-1,939,211**
Result of operations		**-5,455,057**	**-1,939,211**
Financial expenses			
Financial expenses	6	-171,503	-160,060
Total financial expenses		**-171,503**	**-160,096**
Net financial items		-171,503	-160,060
Half-year result		**-5,626,561**	**-2,099,271**
Attributable to:			
Uncovered loss	4	-5,626,561	-2,099,271
Total		**-5,626,561**	**-2,099,271**

Balance Sheet

Amounts in NOK	Note	As at 30 June 2026 (Unaudited)	As at 31 December 2025
Receivables			
Other short-term receivables		109,333	6,165
Total receivables		**109,333**	**6,165**
Bank deposits, cash in hand etc			
Bank deposits		504,446	45,696
Total bank deposits, cash in hand etc		**504,446**	**45,696**
Total current assets		**613,779**	**51,861**
Total Assets		**613,779**	**51,861**
Paid in capital			
Share capital	4,5,7	94,000	75,200
Share premium reserve	4,5	10,570,900	1,014,430
Other paid-in capital	4,5	596,000	176,800
Total Paid-in Capital		**11,260,900**	**1,266,430**
Retained earnings			
Uncovered loss	4	-14,340,838	-8,714,278
Total retained earnings		**-14,340,838**	**-8,714,278**
Total Equity	**4,6**	**-3,079,938**	**-7,447,848**
Current liabilities			
Accounts payable		597,421	43,067
Other short-term liabilities		3,096,296	7,456,642
Total Current Liabilities		**3,693,717**	**7,499,709**
Total Liabilities		**3,693,717**	**7,499,709**
Total Equity and Liabilities		**613,779**	**51,861**

Cashflow Statement

Cash inflows / (outflows) (NOK)	YTD 2026	YTD 2025
	(Unaudited)	
Result for the period	**-5,626,561**	**-2,099,271**
ADJUSTMENTS FOR:		
Change in other short-term receivables	-103,168	0
Change in trade payables	554,355	-9,784
Change in other short-term payables 1)	4,714,124	-2,040,739
Share-based payments (non-cash personnel expense)	419,200	
Net cash from operating activities	**-42,050**	**-68,316**
CASH FLOW FROM INVESTING ACTIVITIES		
Net cash (out)/inflow from investing activities	**0**	**0**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from equity issues	500,800	0
Net cash flow from financing activities	**500,800**	**0**
Net change in cash and cash equivalents	**458,751**	**-68,316**
Cash and cash equivalents at the beginning of the period	45,696	80,721
Cash and cash equivalents at the end of the period	**504,446**	**12,405**

1) On 18 June 2026, certain shareholder loans and accrued remuneration and other liabilities were converted into equity. As the transactions did not involve any transfer of cash or cash equivalents, they have been excluded from the cash flow statement.

Notes to the Financial Statements

1 Corporate information

Polar Resources AS was incorporated in Norway on 1 September 2022 as a private limited liability company and registered with the Norwegian Register of Business Enterprises on 20 October 2022. The registered organisation number of the Company is 930 061 050 and its registered address is c/o Advokatfirmaet BAHR, Tjuvholmen allé 16, 0252 Oslo, Norway. The Company's shares are traded on the Euronext Growth Oslo under the ticker symbol POLAR.

2 Going concern

The financial statements have been prepared on the basis of the going concern assumption. As at 30 June 2026, the Company had cash and cash equivalents of NOK 0.5 million and negative equity of NOK 3.1 million.

Subsequent to the reporting date, the Company completed an offering of 7,142,857 new shares at a subscription price of NOK 7.00 per share, raising gross proceeds of NOK 50 million in connection with its admission to trading on Euronext Growth Oslo.

Following completion of the offering, the Board considers the Company's liquidity position to be sufficient to fund its planned activities and considers the going concern assumption to be appropriate.

3 Basis of preparation

The interim financial statements for 1H 2026 have been prepared in accordance with NGAAP (NRS 11). The financial statements have been prepared based on the going concern assumption. The financial statements have not been subject to auditing. The financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial information and the risk factors contained in the Company's 2025 Annual Report which is available on the Company's website www.polarresources.no.

In the Company's financial statements for 2025, fees to the Board of Directors and the Nomination Committee, were classified as other operating expenses and did not include a provision for the social security tax expense. Beginning in 2026, such expenses are classified as employee expenses and a social security tax expense on all fees, including those in previous periods have been calculated. The comparative figures for 2025 have been reclassified. Had the same principle been applied in the first half of 2025, employee expenses would have amounted to NOK 1,402,823, including social security tax.

4 Equity

For the six months ended 30 June 2026 *Amounts in NOK*	Share capital	Share premium	Other paid-in capital	Accumulated loss	Total equity
At 1 January 2026 (Audited)	**75,200**	**1,014,430**	**176,800**	**-8,714,278**	**-7,447,848**
Profit/(loss) for the period				-5,626,561	-5,626,561
Issue of share capital	18,800	9,556,470			9,575,270
Share-based payment 2)			419,200		419,200
Balance at 30 June 2026	**94,000**	**10,570,900**	**596,000**	**-14,340,839**	**-3,079,939**

2) On 18 June, John Hamilton was granted 80 shares at NOK 10 per share. Following the share split carried out on the same date, this grant corresponds to 60,000 shares. Based on the subscription price of NOK 7 per share, the grant represents a discount of NOK 419,200, which has been recognized as a payroll expense.

5 Material transactions

During the first half of 2026, the Company completed a series of capital increases in preparation for its admission to trading on Euronext Growth Oslo. These included the conversion of certain shareholder loans, accrued board remuneration and other accrued remuneration into equity, as further described in the related party transactions note.

The table below shows the material transactions in the Company for the first half of 2026, as well as the post balance sheet events as further described in Note 9 .

	Date of registration	Capital increase (NOK)	Share Capital After Change (NOK)	Par value of shares (NOK)	Subscription price per share (NOK)	Total Number of

						New shares	outstanding shares
Capital increase	25 June 2026	800	76,000	10	10	80	7,600
Capital increase	25 June 2026	940	76,940	10	5,319.15	94	7,694
Capital increase	25 June 2026	17,060	94,000	10	5,319.15	1,706	9,400
Share split	25 June 2026	N/A	94,00	0.0133333	N/A	7,040,600	7,050,00
Offering	6 July 2026	95,238.0993	189,237.09333	0.0133333	7.00	7,142,857	14,192,857
Capital increase	6 July 2026	800	190,038.0933	0.0133333	0.0133333	60,000	14,252,857

6 Related party transactions

The Company entered into shareholder loan arrangements with Julien Balkany, the Chair of the Board of Directors, acting as lender, in 2024, 2025 and 2026. The arrangements consist of three loan agreements: (i) a loan agreement dated 15 September 2025 in the principal amount of NOK 3,836,250, which refinanced three loan agreements originally entered into on 15 April 2024, 27 August 2024 and 26 March 2025, respectively, (ii) a loan agreement dated 16 September 2025 in the principal amount of NOK 300,000, and (iii) a loan agreement dated 21 April 2026 in the principal amount of NOK 50,000. The loan arrangements have been converted into equity in the Company pursuant to a capital increase by contribution in kind resolved at an extraordinary general meeting of the Company held on 18 June 2026, with the subscription amount settled by way of set-off against the outstanding loan amounts. At the same meeting, a board fee claim of Julien Balkany in the amount of NOK 1,186,170.45 for services as Chair of the Board in 2025 and up until the annual general meeting in 2026 was approved and converted into equity by contribution in kind, with 1,064 new Shares in total issued to Julien Balkany at a subscription price of NOK 5,319.15 per share, for a total subscription amount of NOK 5,659,575.60. In addition, Julien Balkany subscribed for 94 new shares at a subscription price of NOK 5,319.15 per share in a separate directed capital increase by cash contribution, for a total subscription amount of NOK 500,000.10, in which only Julien Balkany was entitled to subscribe.

Endurance Too AS, a company controlled by Henno Grenness, the CEO of the Company, entered into a promissory note with the Company as borrower, dated 26 March 2025, in the principal amount of NOK 120,000. The loan has been converted into equity in the Company pursuant to a capital increase by contribution in kind resolved at an extraordinary general meeting of the Company held on 18 June 2026, with the subscription amount settled by way of set-off against the outstanding loan amount. At the same meeting, a compensation claim of Endurance Too AS in the amount of NOK 840,425.70 for services rendered as CEO up to the annual general meeting in 2026 was approved and converted into equity by contribution in kind, with 183 new Shares in total issued to Endurance Too AS at a subscription price of NOK 5,319.15 per share, for a total subscription amount of NOK 973,404.45.

At the extraordinary general meeting held on 18 June 2026, board fee claims of NOK 712,766.10 each for services rendered in 2025 and up until the annual general meeting in 2026 were approved and converted into equity by contribution in kind for each of Me Capital AS (controlled by Erlend W. Einum), Elizabeth Thompson and Ivar Sund Fossum, with 134 new Shares issued to each at a subscription price of NOK 5,319.15 per share, for a total subscription amount of NOK 712,766.10 per person. Further, 12 new Shares were issued to James Ward (former CFO) at a subscription price of NOK 5,319.15 per share in settlement of a compensation claim of NOK 63,829.80, and 15 new Shares were issued to Paul Armitage (Chief Geologist) at a subscription price of NOK 5,319.15 per share in settlement of a compensation claim of NOK 79,787.25.

Pursuant to his letter of appointment as a board member of the Company, John Hamilton was granted the right to subscribe for 80 new Shares at a subscription price of NOK 10.00 per share (equal to the par value on such date), for a total subscription amount of NOK 800. A directed capital increase on these terms was resolved at the extraordinary general meeting held on 18 June 2026. Similarly, at the extraordinary general meeting of the Company held on 2 July 2026, the general meeting approved a directed share issue towards proposed board member Garrett Soden, whereby Garrett Soden was given the right to subscribe for 60,000 new Shares at a subscription price of NOK 0.0133 (rounded) per Share (equal to par value on such date), for the total subscription amount of NOK 800.

In the Company's view, the related party transactions mentioned herein are entered into on arm's length terms.

7 Shareholder structure

The table below shows the shareholder structure as at 30 June 2026.

Name	Number of shares	% holding
Julien Balkany	3,118,500	44.2%
Ropa Investments Ltd	2,250,000	31.9%
Endurance Too AS	287,250	4.1%
Ivar Sund Fossum	160,500	2.3%
Elizabeth Thompson	160,500	2.3%
Me Capital AS	160,500	2.3%
Marc Dominque Senges	142,500	2.0%
Annabelle Rose Danielle Timsit	112,500	1.6%
Clara Jane Sale	112,500	1.6%
BNP Paribas	112,500	1.6%
Suzanna Helen Gonzalves	112,500	1.6%
Sandrine Bourgeois	93,750	1.3%
Caspian Tavallali	75,000	1.1%
John Hamilton	60,000	0.9%
Paul Armitage	41,250	0.6%
James Ward	39,000	0.6%
Torstein Sanness	11,250	0.2%
Total	**7,050,000**	**100%**

8 Material contracts

On 23 June 2026 The Company entered into an agreement with Trafigura Pte. Ltd. ("Trafigura") which gives Trafigura and affiliates (a "Trafigura Entity") the exclusive right to offtake any volumes across the Polar group. Such offtake shall be on market terms. Further, Trafigura Entities are entitled to appoint one, non-voting observer to the board of directors of Polar (the "Board"), and the Board will promote and recommend to the nomination committee of Polar a nominee director of any Trafigura Entity or any other person nominated by any Trafigura Entity to be elected as a member of the Board (such that the Trafigura Entities may have one representative at the Board for every 10% of the outstanding shares in Polar held by the Trafigura Entities in the aggregate), provided that such nominee also meets all the standard Euronext Oslo Børs and Polar's compliance and KYC policies. The agreement further provides that, in respect of future issuances of shares or securities linked to shares, the Board shall, in respect of such issuances (i) always offer to the Trafigura Entities a pro rata participation, and (ii) to the extent practicable, and subject, among other things, to any decision by other arm's-length shareholders not to participate in the relevant issues of new shares, and provided that Polar determines such action to be in its best interests, use its best endeavours to offer the Trafigura Entities the opportunity to increase their aggregate shareholding to twenty-five percent (25%) following the completion of an acquisition. The mentioned rights are in effect for as long as any Trafigura Entity remains a shareholder of the Company.

Other than as described above, the Company has not entered into any other material contracts outside of the ordinary course of business.

9 Post balance sheet events

In connection with the listing on Euronext Growth Oslo on 9 July 2026, the Company completed an offering of 7,142,857 new shares at a subscription price of NOK 7.00 per share, raising gross proceeds of NOK 50 million.

The Company simultaneously performed a directed share issue to board member Garrett Soden, issuing 60,000 new shares at a subscription price of NOK 0.013333 (rounded) per share.

Following the transactions above, the Company's share capital is NOK 190,038.09333 divided into 14,252,857 shares, fully paid and each share having a par value of NOK 0.013333333. The shares have been issued under Norwegian law and are registered on the Company's ISIN NO0013756361 with the VPS in book-entry form.

Responsibility Statement

We confirm, to the best of our knowledge, that the interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Norwegian generally accepted accounting principles (NGAAP) and present fairly the Company's financial position, results of operations and cash flows, and that the interim report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

We further confirm that the Half-Year Report provides a fair review of the development and performance of the Company during the period and includes a description of the principal risks and uncertainties facing the Company.

Oslo, 27 August 2026

Julien Balkany
Executive Chairman

Elizabeth Thompson
Director

John Hamilton
Director

Garrett Soden
Director

Henno Grenness
CEO

Disclaimer

This report does not constitute an offer to buy or sell shares or other financial instruments of Polar Resources AS (“Company”).

This report contains certain statements that are, or may be deemed to be, “forward-looking statements”, which include all statements other than statements of historical fact. Forward-looking statements involve making certain assumptions based on the Company’s experience and perception of historical trends, current conditions, expected future developments and other factors that the Company believes are appropriate under the circumstances. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, actual events or results may differ materially from those projected or implied in such forward-looking statements due to known or unknown risks, uncertainties and other factors. These risks and uncertainties include, among others, uncertainties in the exploration for and development of mineral resources, uncertainties in the pursuit and completion of acquisitions within the natural resources industry (including oil and gas), uncertainties inherent in estimating mineral resources and reserves, the Company's ability to raise sufficient capital to fund its future operations and strategic objectives, the Company's limited operating history, unpredictable changes in general economic conditions, volatility of commodity prices, competitive risks, counter-party risks, regulatory changes including permitting and licensing risks in jurisdictions where the Company operates or seeks to acquire assets, and other risks and uncertainties discussed in the Company’s periodic reports. Forward-looking statements are often identified by the words “believe”, "expect”, “anticipate”, “intend”, “plan", "budget", "potential" and other similar terms and phrases. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report, and the Company undertakes no obligation to update or revise any of this information.

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