Second quarter 2026

NORTHERN OCEAN

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Unless otherwise indicated, the terms "Northern Ocean", "NOL" and the "Company" refer to Northern Ocean Ltd. and its consolidated subsidiaries. All numbers are in USD.

NORTHERN OCEAN

This is Northern Ocean

Northern Ocean Ltd. (the "Company", "NOL", "Northern Ocean") owns and operates one of the world's newest and most capable harsh-environment semi-submersible drilling rig – *Deepsea Mira* – ideally suited for operations across all major offshore basins. With a modern rig, completed capex programs, and strong commercial and operational execution, NOL is well-positioned to benefit from a tightening supply of high-end rigs and an expected increase in long-term demand.

Northern Ocean maintain flexibility to pursue high-value opportunities. Near-term priorities include securing new contracts for *Deepsea Mira*, continued focus on operational efficiency and cost control, and preparing for refinancing – all aimed at enhancing earnings and unlocking long-term value for shareholders.

Deepsea Mira is one of the world's most advanced drilling rigs. It is based on the Moss Maritime CS60 design, capacity of drilling in water depth of up to 10,000 feet. The rig is capable of drilling in all harsh environment areas globally.

The Company is listed on Oslo Stock Exchange under the ticker symbol "NOL".

NORTHERN OCEAN

DEEPSEA MIRA

Built (yard):	Hyundai Heavy Industries
Delivered:	2018
Design:	Moss Maritime CS-60E
NCS compliant:	Yes
Ultra-deep water:	Yes
Dynamic positioning:	DP3
Mooring:	12-point mooring

CEO letter

Dear Shareholders,

The second quarter of 2026 was operationally strong. *Deepsea Mira* delivered an outstanding campaign for Shell, achieving 98.6% economic utilization and generating approximately $31 million of second-quarter revenue.

Operations and Performance

Deepsea Mira commenced operations for Shell on 4 April and completed the campaign on 2 July 2026. The campaign was executed safely and efficiently, with operating costs in line with expectations. This result once again demonstrates *Deepsea Mira's* ability to deliver stellar performance for its clients. The option for a second well was not exercised.

Following the Shell campaign, *Deepsea Mira* used a dedicated 30-day window in Walvis Bay to complete the upgrade of its drilling control system. The related hardware investment was made in 2025. The upgraded platform brings *Deepsea Mira's* drilling control capability to the same level as *Deepsea Bollsta*. This capability is now a clear requirement in long-term tenders from major operators and provides the foundation for further automation layers and future efficiency improvements.

Market and Outlook

Several 2026 opportunities did not materialize, and several programs have been delayed. *Deepsea Mira* is currently in Walvis Bay. NOL has established strategic decision gates and will position the rig in line with the most attractive risk-adjusted opportunities as they develop. The Company continues to market *Deepsea Mira* actively and sees several opportunities with potential commencement during 2027.

Liquidity and Financing

NOL established a $25 million revolving credit facility to finance approved customer invoices. Quarter-end debt was $132.8 million, including $7.8 million of capitalized PIK interest. Following customer payments, total borrowings have fallen to $112.8 million.

NOL has reduced operating expenses to preserve liquidity while pursuing new contracts. Management has developed a strategic plan around the principal prospects and their expected commencement dates, enabling the Company to manage costs, liquidity and rig readiness until the next contract commences. Refinancing of our current debt has also been initiated.

Our priorities are clear: preserve liquidity, secure Mira's next contract and position the rig for the next phase of the market. We thank our shareholders, employees and partners for their continued support.

Sincerely
Arne Jacobsen
Chief Executive Officer

Results

The numbers in this report reflect that NOL sold its harsh-environment drilling rig *Deepsea Bollsta* on 15 December last year. As a result, the figures compared with previous quarters in this report are approximately 50% lower.

In the second quarter, operating revenue was $33.9 million, up from $12.6 million in the previous quarter. *Deepsea Mira* worked for 35 days in total the first quarter, compared to 91 days in the second quarter.

Total operating expenses amounted $31.1 million, compared with $35.7 million in the previous quarter. The first quarter included Fuel consumption incurred when the rig was idle. Projected daily operating costs continue to align with expectations.

Administrative expenses amounted to $2.7 million, compared to $1.9 million in the previous quarter. The increase is due to a one time fee connected to the sale of *Deepsea Bollsta* late last year.

Interest expense was $3.8 million compared to $2.7 million in the previous quarter. This reflects that the Company had a six months interest period on its loan with Sterna, and and declared the Payment-In-Kind ("PIK") interest option at the end of the period, on 30 June 2026. This added approximately $7.8 million to the term loan facility, increasing the outstanding amount to $107.8 million.

Foreign exchange loss amounted to $1.3 million, compared to a foreign exchange gain of $1.9 million in the previous quarter. The movement reflects changes in the NOK/USD exchange rate during the quarter.

The net loss from continuing operations after taxes amounted to $2.5 million, compared to a net loss of $23.1 million in the previous quarter.

The basic and diluted loss per share for the quarter was $0.01, compared to a loss of $0.08 in the previous quarter.

Company Update

Market
Deepsea Mira commenced operations for Shell on 4 April 2026 and completed the contract on 2 July 2026, earning day rate through the completion date. The customer did not exercise its option for a second well.

The extended duration of the Shell contract resulted in contract revenue of approximately $31 million, recognized in the second quarter of 2026, with operating costs continuing to align with expectations.

Following completion of the Shell contract, *Deepsea Mira* demobilized to Walvis Bay for planned upgrades and modifications in preparation for future operations. As of 28 August 2026, the rig remained idle in Walvis Bay and the Company currently expects the idle period to extend into the first quarter of 2027.

The Company continues to actively market the rig and bid for relevant opportunities. Management sees ample opportunities with potential commencement dates in 2027 and remains encouraged by the demand for harsh-environment drilling capacity.

Economic utilization for the quarter was 98.6%.

Liquidity
During the second quarter, NOL entered into a $25 million revolving credit facility (the "RCF") with Sterna Finance Ltd. on market terms. The RCF operated as a receivables financing arrangement, allowing the Company to draw against approved invoices from the customer and repay the drawings upon receipt of the corresponding payments. At the end of the second quarter, the RCF was fully drawn and total outstanding debt amounted to $132.8 million. This included $7.8 million of PIK interest, which was capitalized and added to the term loan.

As of today, total outstanding borrowings are $112.8 million, comprising $107.8 million under the term loan and $5.0 million under the RCF.

As of 28 August 2026, the rig had been idle for close to two months and is expected to remain idle into 2027. The extended idle period will affect the Company's liquidity negatively because the rig does not generate contract revenue while the Company continues to incur costs. Accordingly, the Company has initiated the refinancing of its current debt.

Mandatory offer
On 9 July 2026, Hemen Holding Limited ("Hemen") announced that it upon completion of an acquisition of shares in NOL would cross the 50% threshold under section 6-6 of the Norwegian Securities Trading Act, thereby triggering an obligation to make a mandatory offer for the remaining shares in NOL not already owned by Hemen (the "Offer").

The Norwegian Financial Supervisory Authority (Finanstilsynet), acting as takeover supervisory authority, approved the offer document on 11 August 2026. The offer price is NOK 7.50 per share, and the acceptance period runs from 09:00 CEST on 12 August 2026 to 16:30 CEST on 9 September 2026. The terms and acceptance procedures are set out in the offer document. The Offer may be accepted only on the basis of that document and is not being made in any jurisdiction where it would be unlawful.

Finanstilsynet appointed SB1 Markets AS to provide an independent expert statement pursuant to section 6-16(4) of the Norwegian Securities Trading Act. The independent expert statement is expected to be issued no later than one week before the acceptance period expires at 16:30 CEST on 9 September 2026.

Forward Looking Statements

The Company's activities are subject to significant risks and uncertainties that can have an adverse effect on the Company's business, financial condition, results of operations and cash flow. See Notes to the unaudited condensed consolidated financial statements.

This report contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates, sometimes identified by the words "believes", "expects", "intends", "plans", "estimates" and similar expressions. The forward-looking statements contained in this report, including assumptions, opinions and views of the Company or cited from third-party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. The Company does not provide any assurance that the assumptions underlying such forward-looking statements are free from errors, nor does the Company accept any responsibility for the future accuracy of the opinions expressed in the presentation or the actual occurrence of the forecasted developments. No obligations are assumed to update any forward-looking statements or to confirm these forward-looking statements to actual results.

The Board of Directors and the Chief Executive Officer
Northern Ocean Ltd.
Hamilton, Bermuda
28 August, 2026

Consolidated Statements of Operations

(in thousands of $)	Note	Quarters			Half Year		Full Year
		Q2 2026	Q1 2026	Q2 2025	Jan 1 to Jun 30, 2026	Jan 1 to Jun 30, 2025	2025
Contract revenue	3	33,915	12,655	48,980	46,570	104,593	271,916
Reimbursable revenue		133	618	3,661	751	6,034	7,380
Other income		28	27	(74)	55	8	122
Total operating revenues		**34,076**	**13,300**	**52,567**	**47,376**	**110,635**	**279,418**
Rig operating expenses	4	20,546	25,593	35,022	46,139	71,020	241,227
Reimbursable expenses		96	606	3,544	702	5,890	7,906
Depreciation		7,783	7,573	14,233	15,356	27,647	55,134
Impairment	5	—	—	—	—	—	13,130
Administrative expenses		2,705	1,901	1,512	4,606	4,118	7,880
Total operating expenses		**31,130**	**35,673**	**54,311**	**66,803**	**108,675**	**325,277**
Net operating gain (loss)		**2,946**	**(22,373)**	**(1,744)**	**(19,427)**	**1,960**	**(45,859)**
Interest income		162	279	548	441	957	1,613
Interest expense		(3,792)	(2,714)	(15,211)	(6,506)	(30,287)	(56,303)
Foreign exchange loss		(1,334)	1,882	1,957	548	2,620	44
Other financial expenses		(5)	(7)	(12)	(12)	(14)	(33)
Net loss from continuing operations before taxes		**(2,023)**	**(22,933)**	**(14,462)**	**(24,956)**	**(24,764)**	**(100,538)**
Tax charge		(454)	(205)	(599)	(659)	(1,539)	(2,127)
Net loss from continuing operations		**(2,477)**	**(23,138)**	**(15,061)**	**(25,615)**	**(26,303)**	**(102,665)**
Basic and diluted loss from continuing operations per share ($)	7	**(0.01)**	**(0.08)**	**(0.05)**	**(0.08)**	**(0.09)**	**(0.34)**

Consolidated Statements of Comprehensive Income

	Quarters			Half Year		Full Year
(in thousands of $)	Q2 2026	Q1 2026	Q2 2025	Jan 1 to Jun 30, 2026	Jan 1 to Jun 30, 2025	2025
Net loss	**(2,477)**	**(23,138)**	**(15,061)**	**(25,615)**	**(26,303)**	**(102,665)**
Foreign currency translation (loss) gain	927	(2,048)	(310)	(1,121)	(413)	780
Other comprehensive (loss) income	**927**	**(2,048)**	**(310)**	**(1,121)**	**(413)**	**780**
Comprehensive loss	**(1,550)**	**(25,186)**	**(15,371)**	**(26,736)**	**(26,716)**	**(101,885)**

See accompanying notes that are an integral part of these unaudited condensed consolidated financial statements.

Consolidated Balance Sheets

(in thousands of $)	Note	Jun 2026	Dec 2025
ASSETS			
Short-term assets			
Cash and cash equivalents		19,652	37,510
Restricted cash	8	124	169
Related party receivables		—	—
Accounts receivable, net		29,150	23,505
Unbilled receivables		11,558	1,513
Short-term portion of deferred costs		—	—
Material and supplies, net		—	—
Other current assets	10	4,805	4,449
Right-of-use assets under operating leases		7	19
Total short-term assets		**65,296**	**67,165**
Long-term assets			
Drilling units	9	431,550	439,841
Fixtures and fittings		9	14
LT Deferred Assets		—	—
Total long-term assets		**431,559**	**439,855**
Total assets		**496,855**	**507,020**

(in thousands of $)	Note	Jun 2026	Dec 2025
LIABILITIES AND EQUITY			
Short-term liabilities			
Short-term portion of long-term debt		—	—
Other current liabilities	11	42,878	59,306
Short-term portion of deferred revenue		110	110
Related party payables		—	33
Lease dilapidations		—	—
Related party debt	13	132,765	100,000
Obligations under operating leases		12	25
Total short-term liabilities		**175,765**	**159,474**
Long-term liabilities			
Long-term debt	12	—	—
Long-term deferred revenue		2,440	2,495
Long-term related party debt		—	—
Total long-term liabilities		**2,440**	**2,495**
Commitments and contingencies			
Total equity		318,650	345,051
Total liabilities and equity		**496,855**	**507,020**

See accompanying notes that are an integral part of these unaudited condensed consolidated financial statements.

Consolidated Statements of Cash Flows

(in thousands of $)	Quarters			Half Year		Full Year
	Q2 2026	Q1 2026	Q2 2025	Jan 1 to Jun 30, 2026	Jan 1 to Jun 30, 2025	2025
NET LOSS	**(2,477)**	**(23,138)**	**(15,061)**	**(25,615)**	**(26,303)**	**(102,665)**
Adjustment to reconcile net (loss) income to net cash used in operating activities;						
Amortization of deferred charges	—	—	179	—	356	1,045
Amortization of deferred costs	—	—	—	—	2,200	63,900
Amortization of deferred revenue	(28)	(27)	(1,071)	(55)	(4,959)	(43,718)
Depreciation	7,783	7,573	14,234	15,356	27,648	55,134
Impairment	—	—	—	—	—	13,130
Compensation cost	167	168	205	335	410	770
Unrealized foreign exchange loss (gain)	927	(2,048)	(310)	(1,121)	(413)	780
Accrued demobilization income	—	—	—	—	(752)	(752)
Accrued demobilization costs	—	—	—	—	878	878
Change in operating assets and liabilities;						
Receivables	(27,342)	21,697	3,831	(5,645)	16,482	23,904
Unbilled receivables	(9,636)	(409)	(15,198)	(10,045)	(8,865)	6,795
Other current assets	259	(615)	(714)	(356)	(1,823)	(2,132)
Right-of-use assets under operating leases	6	6	20	12	68	109
Additions to deferred costs	—	—	(34,526)	—	(50,138)	(61,699)
Additions to deferred revenue	—	—	1,044	—	24,039	39,748
Other current liabilities	1,417	(10,079)	26,604	(8,662)	25,562	4,278
Related party balances	—	(33)	154	(33)	39	(20)
Obligations under operating leases	(7)	(6)	(30)	(13)	(78)	(87)
Net cash provided by (used in) operating activities	**(28,931)**	**(6,911)**	**(20,639)**	**(35,842)**	**4,351**	**(602)**

Consolidated Statements of Cash Flows

	Quarters			Half Year		Full Year
(in thousands of $)	Q2 2026	Q1 2026	Q2 2025	Jan 1 to Jun 30, 2026	Jan 1 to Jun 30, 2025	2025
INVESTING ACTIVITIES						
Additions to drilling units	(4,529)	(2,520)	(17,704)	(7,049)	(35,823)	(52,740)
Additions to Fixtures and fittings	(6)	(6)	(15)	(12)	(15)	(26)
Gross proceeds from sale of Drilling unit	—	—	—			480,000
Net cash provided by investing activities	**(4,535)**	**(2,526)**	**(17,719)**	**(7,061)**	**(35,838)**	**427,234**
FINANCING ACTIVITIES						
Net proceeds from share issuances	—	—	—	—	—	—
Related party debt: proceeds	25,000	—	8,501	25,000	16,893	16,893
Related party debt: repayments	—	—	—	—		(148,733)
Long-term debt: repayments	—	—	—	—	—	(300,000)
Debt fees paid	—	—	—	—	—	—
Net cash provided by financing activities	**25,000**	**—**	**8,501**	**25,000**	**16,893**	**(431,840)**
Net change	**(8,466)**	**(9,437)**	**(29,857)**	**(17,903)**	**(14,594)**	**(5,208)**
Cash, cash equivalents and restricted cash at start of the period	**28,242**	**37,679**	**58,152**	**37,679**	**42,889**	**42,889**
Cash, cash equivalents and restricted cash at end of the period	**19,776**	**28,242**	**28,293**	**19,776**	**28,293**	**37,681**

See accompanying notes that are an integral part of these unaudited condensed consolidated financial statements.

Consolidated Statements of Changes in Equity

(in thousands of $ except number of shares)	**Jan 1 to June 30, 2026**	**2025**
Number of shares outstanding		
Balance at beginning of period	303,215,392	303,215,392
Shares issued	—	—
Balance at end of period	**303,215,392**	**303,215,392**
Share capital		
Balance at beginning of period	151,608	151,608
Shares issued	—	—
Balance at end of period	**151,608**	**151,608**
Additional paid in capital		
Balance at beginning of period	580,985	580,214
Shares issued	—	—
Stock options	335	771
Balance at end of period	**581,320**	**580,985**
Accumulated other comprehensive income (loss)		
Balance at beginning of period	727	(53)
Other comprehensive income	(1,121)	780
Balance at end of period	**(394)**	**727**
Retained deficit		
Balance at beginning of period	(388,269)	(285,604)
Net loss	(25,615)	(102,665)
Balance at end of period	**(413,884)**	**(388,269)**
Total equity	**318,650**	**345,051**

See accompanying notes that are an integral part of these unaudited condensed consolidated financial statements.

Notes

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Northern Ocean Ltd. owns and operates the modern harsh-environment semi-submersible drilling rig *Deepsea Mira*, with the primary purpose of providing offshore drilling services for the oil and gas industry in harsh environments worldwide.

Deepsea Mira commenced operations for Shell on 4 April 2026 and completed the contract on 2 July 2026, earning day rate through the completion date. The customer did not exercise its option for a second well.

The extended duration of the Shell contract resulted in contract revenue of approximately $31 million, recognized in the second quarter of 2026, with operating costs continuing to align with expectations.

Following completion of the Shell contract, *Deepsea Mira* demobilized to Walvis Bay for planned upgrades and modifications in preparation for future operations. As of 28 August 2026, the rig remained idle in Walvis Bay and the Company currently expects the idle period to extend into the first quarter of 2027.

Economic utilization for the quarter was 98.6%.

2. BASIS OF ACCOUNTING

The unaudited condensed consolidated financial statements are stated in accordance with generally accepted accounting principles in the United States of America. The unaudited condensed consolidated financial statements do not include all of the disclosures required in annual and interim consolidated financial statements and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2025.

Going concern assumption
These consolidated financial statements are prepared under the going concern assumption.

As the *Deepsea Mira* currently has no long term backlog, the Group's financial position is reliant on securing additional drilling contracts for the rig. This situation potentially gives rise to substantial doubt regarding the Group's ability to continue as a going concern. In the absence of new contract awards, the Group will need to rely on loan amendments, new financing arrangements, and/or equity issuances to meet its loan obligations and working capital requirements over the next twelve months. However, the Board remains confident that a solution will be reached.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

The following table provides information about composition of contract revenue:

(in thousands of $)	**Q2 2026**	**Jan 1 to Jun 30, 2026**
Dayrate revenue	32,307	44,194
Amortization of deferred revenue	—	—
Demobilization revenue	—	—
Other	1,608	2,376
Contract revenue	**33,915**	**46,570**

Dayrate revenue
Dayrate revenue earned from *Deepsea Mira* drilling contract.

Amortization of deferred revenue
The Company may receive fees from its customers for the mobilization of rigs. These activities are not considered to be distinct within the context of the contract and therefore, where these fees are known and probable the associated

revenue is allocated to the overall performance obligation and recognized ratably over the initial firm term of the related drilling contract.

The following table provides information about the composition of amortization of deferred revenue related to contract revenue:

(in thousands of $)	
Balance at 31 December 2024	3,860
Additions to deferred revenue	39,748
Amortization of deferred revenue	(43,608)
Balance at 31 December 2025	—
Balance at 30 June 2026	—

Note the deferred revenue assets in the balance sheet also contain funds received from the Norwegian government as a grant, due to the *Deepsea Mira* being equipped with systems which reduce NOx emissions. The grant is being amortized over the estimated useful life of the *Deepsea Mira*, resulting in annual amortization of $0.1 million. At the date of this report $2.4 million is held as deferred revenue in relation to the NOx grant, split between short-term and long-term.

4. RIG OPERATING EXPENSES

The following table provides information about the composition of rig operating expenses:

(in thousands of $)	**Q2 2026**	**Jan 1 to Jun 30, 2026**
Daily operating expenses	15,509	38,232
Maintenance projects	4,015	6,509
Amortization of deferred costs	—	—
Accrued demobilization costs	—	—
Other	1,022	1,398
Rig operating expenses	**20,546**	**46,139**

Daily operating expenses
This category includes the costs associated with the daily operations of the rigs. The notable constituents of the daily operating expenses are the expenses for offshore personnel, repairs and maintenance (excluding maintenance projects referred to below), onshore support services, catering costs and management fees payable to Odfjell Drilling. When the rig is in-between contracts, the Company carries the fuel cost, rig was on contract throughout the second quarter.

Included in daily operating expenses are incremental costs associated with providing customers with add-on services for which the commercial terms differ from those services provided on a reimbursable basis. The costs and the associated revenue for these services are reported on a gross basis under rig operating expenses and contract revenue respectively.

Maintenance projects
Maintenance projects which are considered non-recurring and with an individual cost in excess of $100,000 are not considered to be indicative of the ordinary daily running costs of our operations and have been disaggregated from daily operating expenses. These projects are either preventive or corrective in nature.

Amortization of deferred costs
Certain direct and incremental costs incurred for upfront preparation, initial mobilization and modifications of the contracted rigs represent costs of fulfilling a contract as they relate directly to a contract and enhance resources that will be

used in satisfying performance obligations. Such costs are deferred and amortized ratably to rig operating expenses as services are rendered over the initial term of the related drilling contract.

The following table provides information about the deferred costs to fulfill a contract with customers;

(in thousands of $)	
Balance at 31 December 2024	**2,200**
Cost additions	61,700
Amortization	(63,900)
Balance at 31 December 2025	**—**
Balance at 30 June 2026	**—**

5. IMPAIRMENT

On 17 November 2025 the Group entered into an agreement to sell *Deepsea Bollsta* to a subsidiary of Odfjell Drilling for cash settlement of $480 million, with effective date 15 December 2025. The rig was classified as assets held for sale from 17 November 2025 until completion of the sale on 15 December 2025. Depreciation of the rig has been calculated up until 17 November 2025. From 17 November 2025 the rig has been measured at the lower of carrying amount and fair value less costs to sell, resulting in an impairment loss of $13.1 million.

In addition to the impairment loss of $13.1 million, Deferred cost and Deferred revenue relating to the Equinor contract for *Deepsea Bollsta*, $59.3 million and $38.2 million respectively, has been charged to the income statement in Q4 2025.

6. INCOME TAXES

Under current Bermuda law, the Company is not required to pay taxes in Bermuda on either income or capital gains. The Company has received written assurance from the Minister of Finance in Bermuda that, in the event of any such taxes being imposed, the Company will be exempted from taxation until 31 March, 2035.

Other jurisdictions
The Company has subsidiaries, which are incorporated in the Marshall Islands and are not subject to income tax. Certain of the Company's subsidiaries and branches in Norway, Ireland, Namibia, Cyprus and the U.S. are subject to income tax in their respective jurisdictions.

Deferred tax
Deferred tax assets and liabilities are based on temporary differences that arise between carrying values of assets and liabilities used for financial reporting purposes and amounts used for taxation purposes and the future tax benefits of tax loss carry forwards.

The Company does not have any unrecognized tax benefits, material accrued interest or penalties relating to income taxes.

7. EARNINGS PER SHARE

The computation of basic earnings per share is calculated by dividing the net loss attributable to the Company by the weighted average number of shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net income attributable to the Company by the weighted average number of shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. If in the period there is a loss then any dilutive potential ordinary shares have been excluded from the calculation of diluted loss per share, as their effect would be anti-dilutive.

The components of the numerator and the denominator in the calculation are as follows:

	Q2 2026
Net loss (in thousands of $)	(2,477)
Weighted average number of ordinary shares (in thousands)	303,215
Loss per share	(0.01)

8. RESTRICTED CASH

As of 30 June 2026, restricted cash of $0.1 million consists of funds held for an NIS guarantee and payroll taxes.

9. DRILLING UNITS

Movements in the carrying value of drilling units in the three months ended 30 June 2026, are summarized as follows:

(in thousands of $)	**Cost**	**Accumulated depreciation**	**Net carrying value**
Balance at 31 December 2025	**564,681**	**(124,839)**	**439,842**
Additions	7,049	—	7,049
Retirement of assets	—	—	—
Depreciation	—	(15,341)	(15,341)
Balance at 30 June 2026	**571,730**	**(140,180)**	**431,550**

10. OTHER CURRENT ASSETS

Other current assets as of 30 June 2026, are summarized as follows:

(in thousands of $)	
Deposit held	—
VAT receivable	2,858
Other	1,947
Other current assets	**4,805**

Other

This category principally consist of prepayments for insurance and operational costs.

11. OTHER CURRENT LIABILITIES

Other current liabilities as of 30 June 2026, are summarized as follows:

(in thousands of $)	
Accounts payable	5,637
Accrued administrative expense	1,111
Accrued operating expense	22,171
Other payables	13,959
Accrued interest expense	—
Contract demobilization liability	—
VAT liability	—
Other current liabilities	**42,878**

Other payables

Other payables primarily consist of withholding and corporate taxes due to the Namibian tax authorities.

12. DEBT

In connection with the sale of *Deepsea Bollsta* on 15 December 2025, NOL prepaid the outstanding loan amount of $285 million under this facility, reducing the principal balance to zero. The facility was subsequently cancelled.

13. RELATED PARTY DEBT

As of 30 June 2026, debt due to related parties is summarized as follows:

(in thousands of $)	
$ denominated floating rate debt:	
$215.0 million credit loan facility	132,765
Total debt	**132,765**
Short-term debt	132,765
Long-term debt	—
Total debt	**132,765**

At the start of the year, the Company held a single $100.0 million facility. The facility requires no amortization and has a final maturity date in December 2026. The Company also has the option to convert cash interest payments into Payment-In-Kind ("PIK") interest at a pre-agreed premium. In connection with the sale of *Deepsea Bollsta* NOL prepaid part of the outstanding amount on this facility, reducing the principal balance from $248.4 million to $100 million.

On 30 June 2026, the Company exercised its Payment-in-Kind ("PIK") interest option for the preceding six-month period. As a result, approximately $7.8 million of interest was capitalized and added to the term loan facility, increasing the outstanding principal to $107.8 million.

During the second quarter, NOL entered into a $25 million revolving credit facility (the "RCF") with Sterna Finance Ltd. on market terms. The RCF operated as a receivables financing arrangement, allowing the Company to draw against approved invoices from the customer and repay the drawings upon receipt of the corresponding payments. The RCF was fully drawn at the end of the second quarter, as of 28 August 2026, total outstanding borrowings are $112.8 million, comprising $107.8 million under the term loan and $5.0 million under the RCF.

Assets pledged

(in thousands of $)	
Drilling units	431,550

The outstanding debt as of 30 June 2026, is repayable as follows:

(in thousands of $)	
Year 1	132,765
Year 2	—
Year 3	—
Year 4	—
Year 5	—
Thereafter	—
	132,765

The Company is in compliance with the covenants set out in the agreement with Sterna Finance Ltd. ("Sterna").

14. SHARE CAPITAL

There were no changes to the Company's share capital during the second quarter of 2026.

As of 30 June 2026, the Company continues to have 303,215,392 fully paid common shares outstanding and authorized share capital of $968,098,811, divided into 1,936,197,622 common shares of a par value of $0.50 each.

15. FAIR VALUES

The carrying value and estimated fair value of the Company's financial instruments as of 30 June 2026, are as follows:

(in thousands of $)	Carrying value	Fair value
Assets:		
Cash and cash equivalents	28,114	28,114
Restricted cash	127	127
Liabilities:		
Short-term related party debt	132,765	129,046

The estimated fair values of financial assets and liabilities are as follows:

(in thousands of $)	Fair value	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	28,114	28,114	—	—
Restricted cash	127	127	—	—
Liabilities:				
Short-term related party debt	132,765	—	—	129,046

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- Cash and cash equivalents – the carrying values in the balance sheet approximate fair value.
- Restricted cash – the carrying value in the balance sheet approximates fair value.
- Floating rate debt (being total debt less the carrying value of deferred charges) – the fair value has been determined using level 3 inputs being the discounted expected cash flows of the outstanding debt.
- Short-term related party debt – the fair value has been determined using level 3 inputs being the discounted expected cash flows of the outstanding debt.

16. RELATED PARTY TRANSACTIONS

Hemen Holdings Ltd. ("Hemen"), a Cyprus holding company, was the Company's largest shareholder as at 30 June 2026. The Company currently transacts, or has previously transacted, with the following related parties, being companies in which Hemen, or companies affiliated with Hemen, have a significant interest:

- Sterna;
- Front Ocean Management Ltd. and Front Ocean Management AS (together "Front Ocean");
- Frontline Management (Bermuda) Ltd. ("Frontline");
- Seatankers Management Co. Ltd. ("Seatankers").

Sterna transactions

See related party debt (Note 13).

Frontline, Front Ocean and Seatankers transactions

The Company and its subsidiaries have received treasury, accounting, corporate secretarial and advisory services from these entities and were charged $0.2 million in the quarter ending 30 June 2026 (2025: $0.1 million).

17. COMMITMENTS AND CONTINGENCIES

As of 30 June 2026, the Company had outstanding capital commitments of $5.1 million for projects to be completed during the year.

18. SHARE BASED COMPENSATION

In the third quarter of 2024, the Company granted a total of 9,500,000 share options to members of management. As of 30 June 2026, 6,333,333 of these options were outstanding and remained unvested. The options have a weighted average exercise price of NOK 12.00 and a weighted average remaining contractual term of 0.70 years.

19. SUBSEQUENT EVENTS

Deepsea Mira commenced operations for Shell on 4 April 2026 and completed the contract on 2 July 2026, earning day rate through the completion date. The customer did not exercise its option for a second well.

On 9 July 2026, Hemen Holding Limited ("Hemen") announced that it upon completion of an acquisition of shares in NOL would cross the 50% threshold under section 6-6 of the Norwegian Securities Trading Act, thereby triggering an obligation to make a mandatory offer for the remaining shares in NOL not already owned by Hemen (the "Offer").

The Norwegian Financial Supervisory Authority (Finanstilsynet), acting as takeover supervisory authority, approved the offer document on 11 August 2026. The offer price is NOK 7.50 per share, and the acceptance period runs from 09:00 CEST on 12 August 2026 to 16:30 CEST on 9 September 2026. The terms and acceptance procedures are set out in the offer document. The Offer may be accepted only on the basis of that document and is not being made in any jurisdiction where it would be unlawful.

Finanstilsynet appointed SB1 Markets AS to provide an independent expert statement pursuant to section 6-16(4) of the Norwegian Securities Trading Act.

We confirm, to the best of our knowledge, that the condensed consolidated financial statements for the period 1 January to 30 June 2026, have been prepared in accordance with U.S. generally accepted accounting principles and give a true and fair view of the Company's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the financial year and their impact on the condensed consolidated financial statements, a description of the principal risks and uncertainties for the period, and major related party transactions.

The Board of Directors and the Chief Executive Officer
Northern Ocean Ltd.

Hamilton, Bermuda, 28 August, 2026

Gary W. Casswell, Chairman (S)

James Ayers, Director (S)

Sven Børre Larsen, Director (S)

Mikhael Botbol, Director (S)

Adrian Geelmuyden, Director (S)

Arne Jacobsen, Chief Executive Officer (S)

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