

First quarter 2026



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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.



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".

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 first quarter of 2026 was an interim period for Northern Ocean Ltd., during which we focused on preparing the Deepsea Mira for its next phase of operations while maintaining a disciplined and cautious approach.

Operations and Rig Readiness

Utilization during the quarter was lower than normal due to the period between completion of the Rhino program and the start of the next contract. During this time, we carried out maintenance work and selected upgrades intended to support operational reliability, reduce future off-hire time, and improve overall performance once the rig returned to service.

We are pleased that the Deepsea Mira commenced operations for Shell on 4 April 2026, marking the end of the interim period and the beginning of a new campaign.

Market Conditions and Outlook

The contracting environment in 2026 remains competitive, particularly for shorter-term opportunities in West Africa. At the same time, we continue to see indications of a gradually improving market balance, with conditions expected to strengthen further toward the second half of 2027.

Financial Focus and Commercial Strategy

Our priorities remain focused on protecting value in the near term while maintaining exposure to potential market improvements. Northern Ocean will continue to take a selective approach when evaluating opportunities, with emphasis on contract quality, risk-adjusted returns, and timing. Commercial decisions are made with a

long-term perspective and with consideration for the Deepsea Mira's operational track record.

The Company also continues to maintain a conservative financial approach. Preserving capital remains important until greater contract visibility through 2026 has been secured and a stronger foundation has been established for future shareholder distributions.

The same discipline applies to our financing strategy. The \$100 million Sterna facility will remain in place until backlog supports refinancing on more favorable terms and pricing.

We would like to thank our shareholders, employees, and partners for their continued support and confidence in Northern Ocean Ltd. We remain focused on safe and efficient operations, disciplined execution, and long-term value creation.



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 first quarter, operating revenue was \$12.7 million, down from \$111.4 million in the previous quarter. In addition to the sale of *Deepsea Bollsta* in December last year, *Deepsea Mira* worked for 35 days in total the first quarter.

Total operating expenses amounted \$35.7 million, compared with \$150.7 million in the previous quarter. The fourth quarter number was primarily driven by one off effects connected to the sale of *Deepsea Bollsta*, totalling \$59.4 million. Projected daily operating costs continue to align with expectations.

Administrative expenses amounted to \$1.9 million, compared to \$1.7 million in the previous quarter.

Interest expense was \$2.7 million compared to \$10.1 million in the previous quarter. This reflects that the company used most of the proceeds from the sale of *Deepsea Bollsta* to prepay the remaining \$285 million on the bank loan and reducing the Sterna facility from approximately \$249 million to \$100 million. Following the reduction in debt, interest expenses will be considerably lower going forward.

Foreign exchange gains amounted to \$1.8 million, compared to a foreign exchange loss of \$1.2 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 \$23.1 million, compared to a net loss of \$50.5 million in the previous quarter, which included costs associated with the sale of *Deepsea Bollsta*.

The basic and diluted loss per share for the quarter was \$0.08, compared to a loss of \$0.17 in the previous quarter.



Company Update

Contracts and Operations

On 12 November 2025, the Company announced a contract extension for *Deepsea Mira* with Rhino Resources for one additional firm well test. The work commenced on 23 November and was concluded on 31 January 2026.

On 11 December 2025, the Company announced a contract award for *Deepsea Mira* with a subsidiary of Shell plc., commencing in April 2026 with an estimated duration of 45 days.

Deepsea Mira continued to operate in Namibia throughout the quarter. Following completion of the Rhino Resources contract on 31 January 2026, the rig demobilized to Walvis Bay to prepare for the Shell contract, which started pre-commencement activities on 27 March 2026 and on 4 April commenced the contract. The work is expected to be completed in the second half of June 2026.

Following completion of the Shell contract, *Deepsea Mira* is expected to demobilize to Walvis Bay, or another suitable location, depending on timing and potential follow-up work. The Company continues to actively market and bid the rig for relevant opportunities and is encouraged by current demand for harsh-environment drilling capacity. Based on current demand projections, the Company believes *Deepsea Mira* is well positioned to secure further work from Q3-Q4 2026. Following completion of the Shell contract, *Deepsea Mira* is expected to demobilize to Walvis Bay, or another suitable location, depending on timing and potential follow-up work. The Company continues to actively market and bid the rig for relevant opportunities and is encouraged by current demand for harsh-environment drilling capacity. Based on current demand projections, the Company believes *Deepsea Mira* is well positioned to secure further work from Q3-Q4 2026.

Economic utilization for the quarter was 37.1%.

As of 29 May 2026, the Company's order backlog was approximately \$10 million.

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
29 May, 2026



Consolidated Statements of Operations

<i>(in thousands of \$)</i>	Note	Quarters			Full Year
		Q1 2026	Q4 2025	Q1 2025	2025
Contract revenue	3	12,655	111,405	55,613	271,916
Reimbursable revenue		618	(102)	2,373	7,380
Other income		27	45	82	122
Total operating revenues		13,300	111,348	58,068	279,418
Rig operating expenses	4	25,593	123,778	35,998	241,227
Reimbursable expenses		606	585	2,346	7,906
Depreciation		7,573	11,478	13,414	55,134
Impairment	5	—	13,130	—	13,130
Administrative expenses		1,901	1,714	2,606	7,880
Total operating expenses		35,673	150,685	54,364	325,277
Net operating gain (loss)		(22,373)	(39,337)	3,704	(45,859)
Interest income		279	332	409	1,613
Interest expense		(2,714)	(10,110)	(15,076)	(56,303)
Foreign exchange gain		1,882	(1,187)	663	44
Other financial expenses		(7)	(10)	(2)	(33)
Net loss from continuing operations before taxes		(22,933)	(50,312)	(10,302)	(100,538)
Tax charge		(205)	(160)	(940)	(2,127)
Net loss from continuing operations		(23,138)	(50,472)	(11,242)	(102,665)
Basic and diluted loss from continuing operations per share (\$)	7	(0.08)	(0.17)	(0.04)	(0.34)

Consolidated Statements of Comprehensive Income

<i>(in thousands of \$)</i>	Quarters			Full Year
	Q1 2026	Q4 2025	Q1 2025	2025
Net loss	(23,138)	(50,472)	(11,242)	(102,665)
Foreign currency translation (loss) gain	(2,048)	350	(103)	780
Other comprehensive (loss) income	(2,048)	350	(103)	780
Comprehensive loss	(25,186)	(50,122)	(11,345)	(101,885)

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

Consolidated Balance Sheets

<i>(in thousands of \$)</i>	Note	Q1 2026	2025
ASSETS			
Short-term assets			
Cash and cash equivalents		28,114	37,510
Restricted cash	8	127	169
Related party receivables		—	—
Accounts receivable, net		1,809	23,505
Unbilled receivables		1,922	1,513
Short-term portion of deferred costs		—	—
Material and supplies, net		—	—
Other current assets	10	5,065	4,449
Right-of-use assets under operating leases		13	19
Total short-term assets		37,050	67,165
Long-term assets			
Drilling units	9	434,796	439,841
Fixtures and fittings		10	14
LT Deferred Assets		—	—
Total long-term assets		434,806	439,855
Total assets		471,856	507,020

<i>(in thousands of \$)</i>	Note	Q1 2026	2025
LIABILITIES AND EQUITY			
Short-term liabilities			
Short-term portion of long-term debt		—	—
Other current liabilities	11	49,227	59,306
Short-term portion of deferred revenue		110	110
Related party payables		—	33
Lease dilapidations		—	—
Related party debt	13	100,000	100,000
Obligations under operating leases		19	25
Total short-term liabilities		149,356	159,474
Long-term liabilities			
Long-term debt	12	—	—
Long-term deferred revenue		2,468	2,495
Long-term related party debt		—	—
Total long-term liabilities		2,468	2,495
Commitments and contingencies			
Total equity		320,032	345,051
Total liabilities and equity		471,856	507,020

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

Consolidated Statements of Cash Flows

	Quarters			Full Year
	Q1 2026	Q4 2025	Q1 2025	2025
<i>(in thousands of \$)</i>				
NET LOSS	(23,138)	(50,472)	(11,242)	(102,665)
Adjustment to reconcile net (loss) income to net cash used in operating activities;				
Amortization of deferred charges	—	508	177	1,045
Amortization of deferred costs	—	59,333	2,200	63,900
Amortization of deferred revenue	(27)	(38,221)	(3,888)	(43,718)
Depreciation	7,573	11,478	13,414	55,134
Impairment	—	13,130	—	13,130
Compensation cost	168	167	205	770
Unrealized foreign exchange loss (gain)	(2,048)	350	(103)	780
Accrued demobilization income	—	—	(752)	(752)
Accrued demobilization costs	—	—	878	878
Change in operating assets and liabilities;				
Receivables	21,697	(4,145)	12,651	23,904
Unbilled receivables	(409)	1,153	6,333	6,795
Other current assets	(615)	755	(1,109)	(2,132)
Right-of-use assets under operating leases	6	6	48	109
Additions to deferred costs	—	(10)	(15,612)	(61,699)
Additions to deferred revenue	—	—	22,995	39,748
Other current liabilities	(10,079)	(22,801)	(1,042)	4,278
Related party balances	(33)	—	(115)	(20)
Obligations under operating leases	(6)	(5)	(48)	(87)
Net cash provided by (used in) operating activities	(6,911)	(28,774)	24,990	(602)

Consolidated Statements of Cash Flows

<i>(in thousands of \$)</i>	Quarters			Full Year
	Q1 2026	Q4 2025	Q1 2025	2025
INVESTING ACTIVITIES				
Additions to drilling units	(2,520)	(16,250)	(18,119)	(52,740)
Additions to Fixtures and fittings	(6)	(5)	—	(26)
Gross proceeds from sale of Drilling unit	—	480,000	—	480,000
Net cash provided by investing activities	(2,526)	463,745	(18,119)	427,234
FINANCING ACTIVITIES				
Net proceeds from share issuances	—	—	—	—
Related party debt: proceeds	—	—	8,392	16,893
Related party debt: repayments	—	(148,733)	—	(148,733)
Long-term debt: repayments	—	(292,500)	—	(300,000)
Debt fees paid	—	—	—	—
Net cash provided by financing activities	—	(441,233)	8,392	(431,840)
Net change	(9,437)	(6,262)	15,263	(5,208)
Cash, cash equivalents and restricted cash at start of the period	37,679	43,943	42,889	42,889
Cash, cash equivalents and restricted cash at end of the period	28,242	37,681	58,152	37,681

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

Consolidated Statements of Changes in Equity

<i>(in thousands of \$ except number of shares)</i>	Q1 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	167	771
Balance at end of period	581,152	580,985
Accumulated other comprehensive income (loss)		
Balance at beginning of period	727	(53)
Other comprehensive income	(2,048)	780
Balance at end of period	(1,321)	727
Retained deficit		
Balance at beginning of period	(388,269)	(285,604)
Net loss	(23,138)	(102,665)
Balance at end of period	(411,407)	(388,269)
Total equity	320,032	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.

On 12 November 2025, the Company announced a contract extension for *Deepsea Mira* with Rhino Resources for one additional firm well test. The work commenced on 23 November and was concluded on 31 January 2026.

On 11 December 2025, the Company announced a contract award for *Deepsea Mira* with a subsidiary of Shell plc., commencing in April 2026 with an estimated duration of 45 days.

Deepsea Mira continued to operate in Namibia throughout the quarter. Following completion of the Rhino Resources contract on 31 January 2026, the rig demobilized to Walvis Bay to prepare for the Shell contract, which started pre-commencement activities on 27 March 2026 and on 4 April commenced the contract. The work is expected to be completed in the second half of June 2026.

Following completion of the Shell contract, *Deepsea Mira* is expected to demobilize to Walvis Bay, or another suitable location, depending on timing and potential follow-up work. The Company continues to actively market and bid the rig for relevant opportunities and is encouraged by current demand for harsh-environment drilling capacity. Based on current demand projections, the Company believes *Deepsea Mira* is well positioned to secure further work from Q3-Q4 2026.

Economic utilization for the quarter was 37.1%.

As of 29 May 2026, the Company's order backlog was approximately \$10 million.

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:

	Quarters		
(in thousands of \$)	Q1 2026	Q4 2025	Q1 2025
Dayrate revenue	11,887	64,768	48,101
Amortization of deferred revenue	—	38,194	3,861
Demobilization revenue	—	—	1,044
Other	768	8,443	2,607
Contract revenue	12,655	111,405	55,613

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:

<i>(in thousands of \$)</i>	
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 31 March 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 \$2.5 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:

<i>(in thousands of \$)</i>	Quarters		
	Q1 2026	Q4 2025	Q1 2025
Daily operating expenses	22,723	53,410	28,259
Maintenance projects	2,494	9,878	3,689
Amortization of deferred costs	–	59,332	2,200
Accrued demobilization costs	–	–	522
Other	376	1,158	1,328
Rig operating expenses	25,593	123,778	35,998

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, which for the first quarter amounted to \$1.8 million.

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 31 March 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:

	Q1 2026
<i>Net loss (in thousands of \$)</i>	(23,138)
<i>Weighted average number of ordinary shares (in thousands)</i>	303,215
Loss per share	(0.08)

8. RESTRICTED CASH

As of 31 March 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 31 March 2026, are summarized as follows:

<i>(in thousands of \$)</i>	Cost	Accumulated depreciation	Net carrying value
Balance at 31 December 2025	564,681	(124,839)	439,841
Additions	2,520	—	2,520
Retirement of assets	—	—	—
Depreciation	—	(7,566)	(7,566)
Balance at 31 March 2026	567,201	(132,405)	434,795

10. OTHER CURRENT ASSETS

Other current assets as of 31 March 2026, are summarized as follows:

<i>(in thousands of \$)</i>	
Deposit held	—
VAT receivable	4,910
Other	155
Other current assets	5,065

Other

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

11. OTHER CURRENT LIABILITIES

Other current liabilities as of 31 March 2026, are summarized as follows:

<i>(in thousands of \$)</i>	
Accounts payable	6,051
Accrued administrative expense	1,230
Accrued operating expense	26,260
Other payables	12,322
Accrued interest expense	3,224
Contract demobilization liability	140
VAT liability	—
Other current liabilities	49,227

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 31 March 2026, debt due to related parties is summarized as follows:

<i>(in thousands of \$)</i>	
<hr/>	
\$ denominated floating rate debt:	
\$215.0 million credit loan facility	100,000
Total debt	100,000
<hr/>	
Short-term debt	100,000
Long-term debt	—
Total debt	100,000

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, which is outstanding as of 31 March 2026.

Assets pledged

<i>(in thousands of \$)</i>	
<hr/>	
Drilling units	434,795
<hr/>	

The outstanding debt as of 31 March 2026, is repayable as follows:

<i>(in thousands of \$)</i>	
<hr/>	
Year 1	100,000
Year 2	—
Year 3	—
Year 4	—
Year 5	—
Thereafter	—
<hr/>	
	100,000

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 2025.

As of 31 March 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 31 March 2026, are as follows:

<i>(in thousands of \$)</i>	Carrying value	Fair value
Assets:		
Cash and cash equivalents	28,114	28,114
Restricted cash	127	127
Liabilities:		
Short-term related party debt	100,000	99,286

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

<i>(in thousands of \$)</i>	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	100,000	—	—	99,286

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 31 March 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 31 March 2026 (2025: \$0.1 million).

17. COMMITMENTS AND CONTINGENCIES

As of 31 March 2026, the Company had outstanding capital commitments of \$5.2 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 31 March 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 0.95 years.

19. SUBSEQUENT EVENTS

On 4 April 2026 *Deepsea Mira* commenced a one well contract with a subsidiary of Shell plc.

We confirm, to the best of our knowledge, that the condensed consolidated financial statements for the period 1 January to 31 December 2025, 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, 29 May, 2026

Gary W. Casswell, Chairman (S)

James Ayers, Director (S)

Sven Børre Larsen, Director (S)

Mikhael Botbol, Director (S)

Jan Erik Klepsland, Director (S)

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