

NORAM **DRILLING**

ANNUAL REPORT 2025

NORAM DRILLING AS

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General Information

This report contains forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements may be identified using forward-looking terminology such as “believes”, “expects”, “predicts”, “may”, “will continue”, “should”, “would be”, “seeks” or “anticipates” or similar expressions or comparable terminology, or by discussions of plans, intentions and strategy.

Such forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise. The Company or its officers assumes no obligation that such expectations will prove to be correct. These forward-looking statements are subject to risks and uncertainties that could cause actual results to vary materially from such forward-looking statements.

Accounting and Auditing

NorAm Drilling AS is audited by KPMG Norway. The accounting is outsourced to Amesto Business Partner, Norway.

NorAm Drilling Company performs its own accounting.

Alternative Performance Measurement (APM)

In the report we refer to the APM ADJUSTED EBITDA; Earnings Before Interest, Tax, Depreciation and Amortization and noncash stock compensation expenses.

THIS IS NORAM DRILLING GROUP

NorAm Drilling AS (“the Group”, “NorAm” or “the Company”) owns and operates a quality rig portfolio of “super spec” advanced high-end AC driven rigs tailored for the drilling of horizontal wells in the US land drilling market. These rigs are designed to combine the cost efficiency of a compact rig with the versatility of different rig classes, enabling the rigs to cover a broad range of wells for both liquids and gas.

The Company was established in 2007, and at year-end 2025 the Group’s fleet consisted of 11 “super spec” rigs located in the Permian Basin.

The Company Structure

The parent company NorAm Drilling AS owns 100% of NorAm Drilling Company, Texas Corp., a US-based drilling contractor, located in Houston, Texas.

NorAm Drilling Company owns all eleven rigs and is financed through a combination of equity investments and intercompany loans, at arm’s length terms, from its parent. NorAm Drilling Company is staffed with competent, local personnel that perform all aspects of a contract drilling company. The assets of NorAm Drilling AS consists mainly of shares in and loans to its US subsidiary.

Our Offices

NorAm Drilling AS head office is in Oslo, Norway. The office is located at Bryggegata 3, 0112 Oslo, Norway.

NorAm Drilling Company is headquartered in Houston, Texas. NorAm Drilling Company has yard facilities in Odessa, Texas.

Organization and Operations

Marty Jimmerson has served as Chief Executive Officer and Chief Financial Officer since joining the Company in January 2017. Thomas Taylor has served as Chief Operating Officer since November 2014 and has been with the Company for 14 years. Mr. Jimmerson and Mr. Taylor fulfil their roles for both NorAm Drilling AS and NorAm Drilling Company.

The executive team is supported with a complement of business development, safety, operations (including electricians, mechanics and equipment specialists) and accounting functions. Each rig is supported by crews that work on 2-week hitches. Each hitch is staffed with crews working 12-hour shifts. The rig is managed by a rig manager, and each shift is typically staffed with a minimum of a driller, derrickman, motorman and two floormen.

Board of Director's Report

Nature of the business activities and where conducted

NorAm Drilling AS (herein called "Company") and its subsidiaries (herein called "Group") were established on February 19, 2007.

NorAm Drilling AS owns 100% of NorAm Drilling Company, a Texas corporation (collectively referred to as "NorAm" or the "Company" herein). NorAm owns and operates a quality rig portfolio of "super spec" advanced high-end AC driven rigs tailored for the drilling of horizontal wells in the US land drilling market. As of May 27, 2026, all of our eleven rigs are under contract in the Permian Basin. These rigs are designed to combine the cost efficiency of a compact rig with the versatility of different rig classes, enabling the rigs to cover a broad range of wells for both liquids and gas. The Group's executive management team is based out of Houston, Texas with administrative functions located in both Houston and Oslo, Norway.

2025 Developments

MARKET and CONTRACTS

WTI began 2025 around \$72 per barrel and finished 2025 near \$58 per barrel. WTI reached a high of \$78 per barrel in January 2025 and a low of \$57 per barrel in December 2025. WTI increased steadily to \$67 through February 2026 when the 2026 Iran war commenced. WTI has continued to be volatile based upon uncertainties regarding the Iran war and traded as high of \$133. WTI is currently trading around \$90 per barrel.

Dayrates for land rigs in the US improved significantly during the 2022 and continued to strengthen into Q1 2023. Demand for drilling rigs started to decline in the first half of 2023 in a response to lower natural gas and WTI prices which also resulted in dayrates for high end "super spec" drilling rigs in the Permian starting to soften. This trend in declining demand for rigs continued throughout 2025. Dayrates in the Permian were relatively stable during 2024 and 2025. Mergers and acquisitions among E&Ps also led to lower active rig counts and put pressure on dayrates.

As of May 22, 2026, the US land drilling active rig count and Permian rig count was 536 and 250, respectively. As of December 31, 2025, the US land drilling active rig count and Permian rig count was 527 and 247, respectively. In comparison, as of December 31, 2024, the US land drilling active rig count and Permian rig count was 573 and 304, respectively. As of May 27, 2026, all of our eleven rigs were under contract.

SHARE LISTING and DIVIDENDS

On October 7, 2022, the Company's shares commenced trading on the Euronext Growth Oslo exchange under the ticker "NORAM". The Company is debt free and paid its initial monthly dividend in December 2022. The Company has paid 37 consecutive monthly dividends from December 2022 through December 2025 of MUSD 87.3 or approximately NOK 21.25 per share. The company has paid MUSD 7.2 or approximately NOK 1.58 per share after December 31, 2025. The dividend distributions were made from the Company's contributed surplus account which consists of previously paid in share premium transferred to the Company's share premium account.

COMPANY DEVELOPMENT AND RESULTS

NorAm had revenue of MUSD 101.1 during the twelve months of 2025 compared to MUSD 103.1 during the twelve months of 2024. During the twelve months of 2025 we generated operating profit of MUSD 13.8 compared to an operating profit of MUSD 4.3 in the twelve months of 2024. During the twelve months of 2025 we generated ADJUSTED EBITDA of MUSD 20.0 compared to MUSD 24.1 in the twelve months of 2024. During the twelve months of 2025 we generated cash flow from operational activities of MUSD 25.6 compared to MUSD 21.5 in the twelve months of 2024. The decrease in revenue and ADJUSTED EBITDA is primarily due to lower utilization as industry conditions continued to soften as a result of operators demonstrating operational discipline, merger activity among E&Ps and declines in WTI prices to \$58 as of the end of 2025. Operating profit improved as a result of lower depreciation offset by lower revenue.

With effect from 1 January 2025, the Company has revised the estimated useful life of its rigs and related equipment. The useful life of these assets is now estimated to be 10 years. The revision reflects a reassessment of the condition and standard of the rigs and related equipment, as well as their operational and historical performance, which together indicate that the assets are expected to generate economic benefits over a longer period than previously estimated. The change in estimate has been accounted for prospectively, whereby the carrying amount at the date of change is depreciated over the revised remaining useful life (the "break-point" approach). As a result of this change, depreciation expense decreased to MUSD 5.9 million in 2025, compared to MUSD 19.7 million in 2024.

Cash flow from operational activities increased primarily as a result of changes in working capital.

Capital expenditures were MUSD 1.5 in the twelve months of 2025, compared to MUSD 3.4 in the twelve months of 2024. As of December 31, 2025, our cash position was MUSD 10.4. The Company is debt free and paid its initial monthly dividend in December 2022 and continue to pay monthly dividends through May 2026.

The Company's subsidiary has a loan agreement with a U.S. based bank for a Revolving Promissory Note ("Revolver") of MUSD 4.5. Use of proceeds for any borrowings under this Revolver are available for working capital and general corporate purposes. The Revolver is secured by accounts receivable and is expected to be utilized to reduce the Company's need for liquidity on the balance sheet. There were no borrowings outstanding under the Revolver as of December 31, 2025.

The parent company NorAm Drilling AS had total operating income of MUSD 0.1 in 2025, the same as for 2024. Operating expenses were flat at MUSD 0.8 in 2025 compared to 2024. The parent

company had a net income before tax of MUSD 2.6 in 2025, compared to a net income of MUSD 3.7 in 2024. The main driver for the decrease in net income before tax is due to lower interest income on intercompany notes attributable to repayments from its operating subsidiary.

KEY FINANCIAL FIGURES

MUSD	<u>2025</u>	<u>2024</u>
Revenue	101.1	103.1
Operating Profit	13.8	4.3
Net Profit before Tax	14.2	4.5
ADJUSTED EBITDA (1)	20.0	24.1

(1) ADJUSTED EBITDA - Earnings Before Interest, Tax, Depreciation and Amortization plus noncash stock option expenses.

IMPAIRMENT ON FIXED ASSETS

No impairment indicators have been identified. Accordingly, no impairment test has been performed as a result of no impairment indicators being identified.

FINANCING

On the balance sheet, the Group has equity of MUSD 51.6 equivalent to an equity ratio of 67.6% at year-end 2025, compared to MUSD 53.4 equivalent to an equity ratio of 67.8% at year-end 2024.

The Company's balance sheet at year end 2025 had equity of MUSD 116.2 and an equity ratio of 88.1%, compared to MUSD 129.5 and an equity ratio of 88.1% equity ratio at year-end 2024.

The Board considers the equity for both the Company and Group to be in compliance with the requirement for sufficient equity under the Norwegian Limited Liability Companies Act.

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CASH FLOW and LIQUIDITY

The cash position for the Group increased from MUSD 8.4 as of December 31, 2024, to MUSD 10.4 as of December 31, 2025.

For the Norwegian parent company, the cash position decreased from MUSD 1.2 to MUSD 1.1.

KEY RISKS and UNCERTAINTIES

The Group and the Company are exposed to a number of risk factors when performing its activities, such as market risk, operational risk, credit risk and liquidity risk.

Dayrates for land rigs in the US improved significantly during the 2022 and continued to strengthen into Q1 2023. Demand for drilling rigs started to decline in the first half of 2023 in a response to lower natural gas and WTI prices which also resulted in dayrates for high end "super spec" drilling rigs in the Permian starting to soften. This trend in declining rigs continued throughout 2025. Dayrates in the Permian were relatively stable during 2024 and 2025. Mergers and acquisitions among E&Ps also led to lower active rig counts and put pressure on dayrates.

The Company's and the Group's key risks are comprised to a large extent of (i) global oil demand, (ii) 2026 Iran war, (iii) Russian invasion of Ukraine, (iv) OPEC+ maintaining and complying with appropriate supply targets, (v) operating discipline demonstrated by US E&P operators, (vi) supply and demand activity for US and Permian land rigs, (vii) availability and costs of labor, equipment and rig supplies, (viii) recent tariffs instituted by the United States and (ix) any possible regulatory changes issued by the US government.

Global oil and gas prices have been historically and will likely continue to be volatile for the foreseeable future. Global demand and supply of oil; levels of exploration and production by oil and gas companies operating in the United States; worldwide political, regulatory, economic and military events as well as natural disasters have contributed to oil and gas volatility and are likely to continue to do so in the future. The US land drilling market is strongly related to energy prices. Dayrates and utilization levels of the Group's rigs correlate with the price of oil and natural gas. An increase in oil price requires supply reductions or increases in demand. The Group's income is the most sensitive factor, and a reduction either in utilization or dayrates compared to budget has clear negative effects on the result. Conversely, higher rates and utilization have very positive effects on our results. The cost level will vary with constraints in the market for input factors.

The client risk of the Group varies, and even though the Group targets blue-chip E&P clients with extensive operations, contracts may also be signed with smaller companies to increase utilization of

the rigs. In such cases, a review of financial statements or payment references is performed to reduce risk of non-payment.

Supplier and client risks are also present in the market in which the Group is operating. Even if the Group targets contracts with larger and financially solid partners, the contracts will be subject to uncertainty with regards to the suppliers' or the clients' ability to meet their commitments, as they, too, on a general basis also will be subject to market and financial risk. Idle rigs will lead to significant loss of income.

In addition, there could be stacking expenses during weak periods of demand for rigs resulting on loss of work. Such expenses are modest in terms of influence on the result. The Group is also exposed to changes in the regulatory and fiscal frameworks in Norway and the USA.

BUSINESS OUTLOOK

The Group will continue its focus on operating its premium rig fleet and evaluate opportunities to build a larger US presence by further developing our US subsidiary. The foundation has been laid over the years, building strong inhouse drilling competences and safety records, a flat organization with focus on training and motivation of our drilling crews, effective corporate routines and strong client relationships.

By growing the Group's rig fleet from three rigs in 2009 to eleven "Super Spec" rigs, the Group has taken important steps forward to become an important player in the US onshore drilling industry.

The Group has an ongoing dialogue with its existing customers as well as potential new customers about rig performance and contracts. The Board emphasizes the importance of modern, efficient rigs and trained personnel as a powerful combination for reaching our drilling, safety and utilization targets and winning new contracts with quality clients.

A key driver for financial results in 2026 will ultimately be the continued price development of crude oil and natural gas prices, which are currently extremely volatile as a result of the 2026 Iran war, which impacts capital spending by the US energy producers. Furthermore, recent announcements of tariffs implemented by the United States and OPEC+ announcing plans to increase production could have a significant impact on our financial results in the foreseeable future.

Key targets for 2026:

- Ensure continued high safety standard in line with our historical performance
- Continue to operate our rigs with an industry leading effectiveness and efficiency
- Scale our operations and overhead in response to any change in rig activity
- Maintain and develop customer relationships to obtain higher dayrates contracts with reputable clients

FUTURE DEVELOPMENT

Utilization outlook

All eleven rigs are currently located in the Permian Basin. Our current drilling contract status as of May 29, 2026, is as follows:

- Rig 21 – on contract pad-pad
- Rig 22 – on contract through August 2026
- Rig 23 – on contract pad-pad
- Rig 25 – on contract through August 2026
- Rig 26 – on contract through July 2026
- Rig 27 – on contract through June 2026
- Rig 28 – on contract pad-pad
- Rig 29 – on contract pad-pad
- Rig 30 – on contract through August 2026
- Rig 32 – on contract pad-pad
- Rig 34 – on contract through November 2026

Subject to key risks and uncertainties mentioned in this report, we currently expect continued strong demand for high end “super spec” drilling rigs in the Permian.

The Board expects to maintain the Group’s strong safety record.

Operating expenses

Combined with focus on our rig personnel staffing levels and effectively managing our other daily operating costs we were able to maintain rig operating costs and maintenance capital expenditures during 2025 and in line with our expectations.

RESEARCH and DEVELOPMENT ACTIVITIES

Neither the Company nor the Group had research and development expenses in 2025.

GOING CONCERN

The Board considers the Financial Statements for 2025 to represent a true and fair view of the development and results of the Company’s and Group’s operations and accounts as of December 31, 2025. The Board confirms that going concern assumptions are satisfied as to the standards set by the Norwegian Accounting Act and which has formed the basis for the financial statements presented

herein for the Company and the Group. This is based on the Boards expectations relating to market conditions going forward, with increased payrates and utilization expected to continue to gradually recover over the next few years.

WORKING ENVIRONMENT

As of December 31, 2025, the Group had an operational organization of 311 people.

The Board considers the working environment in the Company and the Group to be good.

Management consists of the Chief Executive Officer / Chief Financial Officer and a Chief Operating Officer. Apart from these individuals, the Company uses external advisors for accounting, legal affairs and other professional services.

The absentee rate was minimal. There were no significant property damage incidents in 2025.

NorAm Drilling AS has no employees during 2025, hence no sick leave. No serious occupational accidents or incidents have been experienced over the year, whether in the parent company or in the subsidiaries.

EQUAL OPPORTUNITIES

The Group and the Company target to be an employer to promote equality for all employees' regardless of nationality, sex, skin color, language or religion. This is true for recruiting new people, for salary and bonus schemes, working relations, promotions and protection against harassment. Women will be encouraged to apply for posted available positions to increase the representation of both sexes in the organization. At the end of 2025, the Group had three women employed. There will be no discrimination between men and women regarding recruitment, salaries in relation to position/competence, or promotion, or any other aspect of the Group's activities.

The Group has conducted a high-level salary analysis showing that on average, men have higher salary than women. The main reason for this is that the management group consist of only men, and management level has higher average salary than the employees working on the rigs. Among employees working on the rigs, there is no indication on significant differences in average salary between men and women with the same experience etc.

During 2025 the Group has had no involuntary part-time employees, and no persons have been on leave of absence.

The NorAm Drilling AS Board of Directors consists of three men. NorAm Drilling Company has the same board as NorAm Drilling AS.

EXTERNAL ENVIRONMENT

NorAm Drilling AS has limited activity and does not pollute the external environment. The Group undertakes activities that are potentially polluting. The oil and gas well drilling business, by its very

nature, can, if proper procedures are not followed adversely impact the environment. This can range from blowouts of wells or pollution of the area surrounding the drilling activities.

NorAm Drilling takes all reasonable precautions by assuring proper equipment and maintenance and that the rig personnel are all properly trained. Also, NorAm Drilling conducts standard procedures beyond regulations to ensure not to pollute. Other actions taken by NorAm Drilling includes converting engine systems into Dual Gas system, whereby our customers agree, allowing our engines to run on natural gas at a lower cost and generating less pollution. The Company has available and is also evaluating installing additional power converters whereby rigs may be connected to the electrical grid where feasible. This will further reduce emissions.

NorAm Drilling has implemented Health, Environment and Safety services to support the company's activities and the rig crew is trained in Occupational Safety and Health Administration (OSHA) HSE regulations in the US. The focus is to train all site personnel in their daily routines to act safely and to prevent unwanted occurrences with the rigs.

NorAm Drilling complies with US state and federal regulations in its activities, including environmental protection regulation. The operator carries the main responsibility regarding the external environment when drilling a well under standard daywork drilling contracts.

The Group will publish on our website an updated human rights statement in line with the Norwegian Transparency Act reporting requirements by 30th June 2026.

NorAm Drilling has a group insurance policy for the liability of the Company's and its subsidiaries' directors and officers. The insurance covers personal legal liabilities including legal costs for defense. The limit of liability is NOK 100 million per claim and in aggregate per year.

Signature of the Board, May 29, 2026

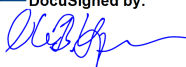
Ole B. Hjertaker
Chairman

Jan Erik Klepsland
Board member


Christopher Baker
Board member

Marty Jimmerson
Chief Executive Officer

Signature of the Board, May 29, 2026

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Ole B. Hjertaker
Chairman

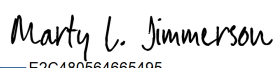
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Jan Erik Klepsland
Board member

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Christopher Baker
Board member

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Marty Jimmerson
Chief Executive Officer

NorAm Drilling AS

INCOME STATEMENT
(Amounts in USD 1,000)

NorAm Group

2025	2024	Note	Note	2025	2024
-	-	2 Sales	2	101,126	103,098
110	110	Other operating income		-	-
110	110	Total operating income		101,126	103,098
152	176	3 Payroll Expenses	3	33,170	33,543
-	-	Depreciation of tangible and intangible assets	7	5,909	19,678
-	-	Rig mobilization, service and supplies		29,561	31,413
-	-	Insurance rigs and employees		7,595	5,570
643	582	3 Other operating expenses	3	11,064	8,620
795	758	Total operating expenses		87,299	98,826
-686	-648	Operating profit (+) / loss (-)		13,828	4,272
3,152	4,377	4, 9 Interest income from group companies			
70	71	4 Other interest income	4	309	416
264	103	4 Other financial income		264	103
-	-	4 Other interest expenses	4	27	84
184	250	4 Other financial expenses	4	202	254
3,303	4,300	Net financial items		345	180
2,617	3,652	Profit before income tax		14,173	4,452
-784	2,137	5 Income tax expense	5	-641	2,198
3,402	1,515	Net profit		14,813	2,254

NorAm Drilling AS

BALANCE SHEET
(Amounts in USD 1,000)

NorAm Group

2025	2024	Note	Note	2025	2024
ASSETS					
Tangible assets					
-	-		7	51,280	55,732
-	-		7	595	569
-	-			51,875	56,301
Financial assets					
84,974	84,872	8		-	-
44,464	61,512	9		-	-
129,437	146,384			-	-
129,437	146,384	Total Non-current Assets		51,875	56,301
Current assets					
Receivable					
-	-			12,244	12,339
0	15			1,775	1,673
0	15			14,020	14,012
Cash and cash equivalent					
1,071	1,213	10	10	10,385	8,365
1,071	1,213			10,385	8,365
1,072	1,227	Total current assets		24,404	22,377
130,509	147,611	TOTAL ASSETS		76,279	78,678

NorAm Drilling AS

BALANCE SHEET
(Amounts in USD 1,000)

NorAm Group

2025	2024	Note	Note	2025	2024
EQUITY & LIABILITIES					
Equity					
Owners equity					
12,580	12,569	11	11	12,580	12,569
69,819	86,538	11	11	69,819	86,538
439	439	11	11	369	369
82,838	99,545			82,768	99,475
Accumulated profits					
33,366	29,964	11	11	-31,191	-46,004
33,366	29,964			-31,191	-46,004
116,203	129,509			51,577	53,471
Liabilities					
2,510	4,887	5	5	2,841	5,234
2,510	4,887			2,841	5,234
Current liabilities					
12	11			8,666	3,617
1,592	1,605	5	5	1,754	1,781
164	169			164	169
10,027	11,430			11,276	14,406
11,795	13,215			21,861	19,973
14,305	18,102			24,702	25,207
130,509	147,611			76,279	78,678

Oslo, 29.05.2026

Ole Bjarte Hjertaker
Chairman

Christopher Baker
Board member

Jan Erik Klepsland
Board member

Marty Jimmerson
CEO

CONSOLIDATED 2025 REPORT



NorAm Drilling AS

BALANCE SHEET
(Amounts in USD 1,000)

NorAm Group

2025	2024	Note	Note	2025	2024
EQUITY & LIABILITIES					
Equity					
Owners equity					
12,580	12,569	11	11	12,580	12,569
69,819	86,538	11	11	69,819	86,538
439	439	11	11	369	369
82,838	99,545			82,768	99,475
Accumulated profits					
33,366	29,964	11	11	-31,191	-46,004
33,366	29,964			-31,191	-46,004
116,203	129,509			51,577	53,471
Liabilities					
2,510	4,887	5	5	2,841	5,234
2,510	4,887			2,841	5,234
Current liabilities					
12	11			8,666	3,617
1,592	1,605	5	5	1,754	1,781
164	169			164	169
10,027	11,430			11,276	14,406
11,795	13,215			21,861	19,973
14,305	18,102			24,702	25,207
130,509	147,611			76,279	78,678

Oslo, 29.05.2026

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Ole Bjarne Hjertaker

Chairman

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Jan Erik Klepsland

Board member

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Christopher Baker

Board member

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Marty Jimmerson

CEO

NorAm Drilling AS		STATEMENT OF CASH FLOW	NorAm Group	
		(Amounts in USD 1,000)		
2025	2024		2025	2024
2,617	3,652	Profit(+)/Loss(-) before income tax	14,173	4,452
-	-	Tax paid for the period	-1,861	-289
-	-	Depreciation of fixed assets	5,909	19,678
-	-	Change in accounts receivable	95	-1,042
0	2	Change in accounts payable	5,049	-771
-1,347	210	Change in other current balance sheet items	-1,399	-525
1,271	3,864	Net cash flow from operational activities	21,966	21,503
-	-	Purchase of tangible fixed assets	-1,486	-3,365
17,048	18,598	Received payment on loans to group companies	-	-
17,048	18,598	Net cash flow from investing activities	-1,486	-3,365
12	-	Issued capital	12	21
-18,471	-21,934	Dividends	-18,471	-21,934
-18,459	-21,934	Net cash flow from financing activities	-18,459	-21,913
-141	528	Net change in cash and cash equivalent	2,020	-3,775
1,213	684	Cash and cash equivalents opening balance	8,365	12,139
1,071	1,213	Cash and cash equivalents closing balance	10,385	8,365

Note 1 - Accounting Principles

The Financial Statements include Income Statement, Balance Sheet, Statement of Cash Flow and Note Disclosures. The Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The Financial Statements are based on the basic principles, and the classification of Assets and Liabilities is according to the definitions of the Norwegian Accounting Act. In application of the accounting principles and presentation of transactions and other information, emphasis has been put not only on legal form, but on economic reality. Conditional losses that are probable and quantifiable are expensed. There have been no changes in the accounting principles used.

1-1 Basis for consolidation

The Group's consolidated financial statements comprise of NorAm Drilling AS and NorAm Drilling Company which NorAm Drilling AS has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Minority interests are included in the Group's equity. Transactions between Group companies have been eliminated in the consolidated financial statement. The consolidated financial statement has been prepared in accordance with the same accounting principles for both parent and subsidiary.

1-2 Use of estimates

Management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with Norwegian generally accepted accounting principles.

1-3 Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into USD using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into USD using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

1-4 Revenue recognition and operational costs

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer.

NorAm Drilling Group revenue relates to rental of rig capacity and sale of drilling services from the US based subsidiary NorAm Drilling Company. Sales regarding rental of rig is invoiced and booked in line with actual contract and the period of delivering the services, while drilling services are invoiced and booked in the same period as the services has been provided.

Note 1 - Accounting Principles

1-5 Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22%/21% (Norway/USA) of temporary differences and losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Temporary differences in jurisdictions with other currency than USD, is calculated using local currency and converted to USD at foreign exchange rate at the balance sheet.

1-6 Balance sheet classification

Current assets and current liabilities consist of receivables and payables due within one year, and items connected to the flow of goods. Other balance sheet items are classified as non-current assets / non-current liabilities.

Current assets are valued at the lower of cost and fair value. Current liabilities are recognized at nominal value at the time they incur.

Fixed assets are valued at cost, less depreciation and impairment losses. Non-current liabilities are recognized at nominal value.

1-7 Property, plant and equipment

Property, plant and equipment are capitalized and depreciated over the estimated useful life. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property, plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are used.

Operational leasing is expensed as ordinary rental expense and classified as an ordinary operating expense. Equipment leased on terms that transfer practically all economic rights and obligations to the company (financial leasing) is depreciated as a capital asset, and is included as a liability under interest bearing debt at the present value of minimum rental expense.

1-8 Subsidiaries

Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions are recognized in the same year as they are recognized in the subsidiary financial statement. If dividends / group contribution exceed withheld profits after acquisition, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the investment in the balance sheet for the parent company.

Note 1 - Accounting Principles

1-9 Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

1-10 Pension obligations and expenses

NorAm Drilling Company has a contribution-based pension plan. Payments to the pension company are expensed as pension costs.

1-11 Cash Flow Statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

1-12 Functional Currency and Presentational Currency

Functional and presentation currency is for NorAm Drilling Company AS and the NorAm Drilling Group is USD. This is based on the following rationale;

NorAm Drilling Company AS

All significant P/L transactions is denominated in USD (Interest income from group companies, Other Interest Expenses)

All significant Balance Sheet items is denominated in USD (Loan to group companies, Accounts Receivables and Cash)

NorAm Drilling Group

All significant P/L transactions is denominated in USD (Sales, Payroll, Operating expenses from US subsidiary and Other interest expenses)

All significant Balance Sheet items is denominated in USD (Fixed assets, Accounts Receivables, Cash, Accounts Payable and Other Current Liabilities)

Note 2 – Segment and Geographic Information

2025			
(USD)	Noram Drilling AS	Noram Drilling Company	Group
Sales income from third parties	-	101,126,205	101,126,205
Sales income from other segments	109,688	-	-
Depreciation	-	5,909,075	5,909,075
Other operating expenses	795,346	80,594,226	81,389,572
Operating profit	-685,658	14,622,905	13,827,559
Financial expenses	183,875	44,290	228,165
Financial expenses other segments	-3,152,179	3,152,179	-
Financial income	334,848	238,460	573,309
Net financial items	3,303,153	-2,958,009	345,144
Taxes	-784,186	143,626	-640,561
Non Current Assets	129,437,334	51,875,024	51,875,024
Interest bearing debt other segments	-	44,463,805	-
2024			
(USD)	Noram Drilling AS	Noram Drilling Company	Group
Sales income from third parties	-	103,098,007	103,098,007
Sales income from other segments	109,688	-	-
Depreciation	-	19,678,450	19,678,450
Other operating expenses	757,553	78,389,745	79,147,298
Operating profit	-647,865	5,029,812	4,272,259
Financial expenses	250,099	88,023	338,122
Financial expenses other segments	-4,376,583	4,376,583	-
Financial income	173,549	344,676	518,225
Net financial items	4,300,033	-4,119,930	180,103
Taxes	2,137,325	60,945	2,198,270
Non Current Assets	146,383,635	56,301,267	56,301,267
Interest bearing debt other segments	-	61,511,626	-

Note 3 - Payroll expenses / Number of Employees / Remuneration/ Auditor's Fee

Payroll expenses etc. (in USD)	2025		2024	
	Noram Drilling AS	Group	Noram Drilling AS	Group
Salaries	38,551	29,917,205	37,258	30,811,892
Payroll tax/Social Security	19,526	2,357,416	11,867	2,413,484
Pension costs	-	-	-	-
Other benefits	92,945	499,927	126,715	318,057
Payroll expenses etc.	151,022	32,774,548	175,840	33,543,433

Number of man-labour years	0	366	0	359
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Management Remuneration - Noram Drilling AS (USD)

Company officers	Period	2025			Total	2024 Total
		Salaries	Pensions	Other benefits		
Marty Jimmerson*	01.01 - 31.12	495,157	-	-	495,157	525,045
Board	Period	Salaries	Pensions	Other benefits	Total	Total
Ole Bjarte Hjertaker (Board member/Chairman)	01.01 - 31.12	19,276	-	-	19,276	18,629
Christopher Baker (Board member)	01.01 - 31.12	19,693	-	-	19,693	18,500
Jan Erik Klepsland (Board member)***	01.01 - 31.12	19,276	-	-	19,276	18,629
Total Officers		495,157	-	-	495,157	525,045
Total Board		58,245	-	-	58,245	55,758
Total Remuneration Board and Management		553,402	-	-	553,402	580,803

*Marty Jimmerson received salary from US subsidiary Noram Drilling Company. The Salaries include bonus payments.

** See discussion further below in this Note on the next page regarding vested options for the Board and Management.

CEO Marty Jimmerson has a 1 year rolling employment agreement. In addition to a base salary he is also entitled to a bonus subject to the company's performance.

Mr. Jimmerson is entitled to (i) one-year base salary; (ii) annual cash bonus up to 33% of annual salary and (iii) group health coverage benefits for up to 18 months in the event of a change in control if his employment contract is terminated for anything other than cause. The CEO is also entitled to a 3-month notice period prior to termination.

No loans or securities have been given to the CEO, directors or shareholders except for during the year ended 2025 and 2024, loans amounting to \$11.7k and \$20.7k, respectively, were issued to an employee, which was settled before both year-end(s).

**Management Remuneration - Group
(USD)**

Company officers	2025			Total	2024 Total
	Salary	Pension costs	Other		
Noram Drilling AS	-	-	-	-	-
Subsidiaries	495,157	-	-	495,157	525,045
Board					
Noram Drilling AS	58,245	-	-	58,245	55,758
Subsidiaries	-	-	-	-	-
Total Officers	495,157	-	-	495,157	525,045
Total Board	58,245	-	-	58,245	55,758
Remuneration Board and Management (excl. Share based)	553,402	-	-	553,402	580,803

Noram Drilling AS Share-Based Payment

On 28 February 2022, Marty Jimmerson and Thomas Taylor were granted 150 000 options each. The grant was Equity Based and vest equally on 28 February, 2023, 2024 and 2025. The grant expires on 28 February 2027. On 24 July 2024, Thomas Taylor, the Company's Chief Operating Officer, exercised 100,000 stock options. Due to prior cash distribution adjustments, the strike price per share option was negative NOK 5.6412. To account for the negative share price, the company settled the net difference in additional 14,103 shares based upon its market value by applying the volume weighted average price of NOK 40.0004 on 24 July 2024. On 10 March 2025, Thomas Taylor also exercised 50,000 stock options. Due to prior cash distribution adjustments, the strike price per share option was negative NOK 8.7212. To account for the negative share price, the company settled the net difference in additional 12,861 shares based upon its market value by applying the volume weighted average price of NOK 33.9053 on 10 March 2025. The initial strike price for both Jimmerson and Taylor was NOK 9. Including accrued dividends as of 31 December 2025, Jimmerson has a total of 150,000 stock options with an adjusted strike price of negative NOK 12.51. Fair value of granted options is calculated using the Black-Scholes-Merton option pricing model. The options strike price will be adjusted by paid dividends.

On 1 September 2022, each Director and certain members of management were granted a total of 300 000 options. 50 000 options were forfeited in 2023. The grant was Equity Based and vest equally on 1 September, 2023, 2024 and 2025. The grant expires on 01.09.27. The initial strike price was NOK 40. Including accrued dividends as of 31 December 2025, stock options issued to each Board of Director and certain members of management have an adjusted strike price of NOK 19. Fair value of granted options is calculated using the Black-Scholes-Merton option pricing model. The options strike price will be adjusted by paid dividends. As of 31 December 2025, Ole Hjertaker and Chris Baker hold 100 000 and 50 000 stock options, respectively.

On 25 August 2025, each Director and certain members of management were granted a total of 700 000 options. The grant was Equity Based and vest equally on 25 August, 2026, 2027 and 2028. The grant expires on 25 August 2030. The initial strike price was NOK 27. Including accrued dividends as of 31 December 2025, stock options issued to each Board of Director and certain members of management have an adjusted strike price of NOK 26.90. Fair value of granted options is calculated using the Black-Scholes-Merton option pricing model. The options strike price will be adjusted by paid dividends. As of 31 December 2025, Marty Jimmerson, Ole Hjertaker, Jan Erik Klepsland and Chris Baker hold 170 000, 80 000, 50 000 and 50 000 stock options, respectively.

The strike price for all granted options shall be reduced by any declared and paid dividends. In 2025 and 2024, the company declared and paid aggregate dividends of NOK 4 and 5 per share, respectively.

Recognized cost in 2025 and 2024 relating the share options are USD 195 463 and 193 254, respectively.

Historical details for the option plans are as follows:

	01.01.2025 - 31.12.2025		01.01.2024 - 31.12.2024	
	Options	Weighted Average Exercise Price (NOK) *	Options	Weighted Average Exercise Price (NOK) *
Outstanding at the beginning of period	450,000	26.22	550,000	23.09
Granted	700,000	26.90		
Exercised	(50,000)	9.00	(100,000)	9.00
Terminated				
Forfeited				
Expired				
Outstanding at the end of period	1,100,000	27.44	450,000	26.22
Vested options	400,000	7.12	266,668	28.38

*Weighted average exercise price (NOK) excludes accrued dividends.

Auditors remuneration (USD, excl. MVA (VAT))

	2025		2024	
	Noram Drilling AS	Group	Noram Drilling AS	Group
Ordinary audit	88,019	88,019	82,962	82,962
Other confirmation services	1,495	1,495	1,378	1,378
Tax advisory services	2,737	2,737	6,185	6,185
Other non audit services	38,984	38,984	13,527	13,527
Total	131,236	131,236	104,052	104,052

The ordinary audit expense includes fees for auditing the US subsidiary for the Group consolidated accounts.

Note 4 Net Financial Items

	2025		2024	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
Financial income				
<i>Interest income from group companies</i>	3,152,179	-	4,376,583	-
<i>Other interest income</i>				
Interest income bank	70,449	308,910	70,962	415,638
<i>Other financial income</i>				
Currency gains	264,399	264,399	102,587	102,587
Total financial income	3,487,028	573,309	4,550,132	518,225
Financial expenses				
<i>Other interest expenses</i>				
Other interest expenses	-	26,648	-	84,346
<i>Other financial expenses</i>				
Currency losses	183,875	201,517	250,099	253,776
Total Financial expenses	183,875	228,165	250,099	338,122
Net financial items	3,303,153	345,144	4,300,033	180,103

Note 5 - Tax

(USD)	2025		2024	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
Tax base calculation				
Profit (+)/ Loss (-) before income tax	2,617,495	14,172,703	3,652,167	4,452,362
Permanent differences	-6,175,784	-4,900,416	7,133,628	8,331,370
Temporary differences	11,187,341	10,284,039	-2,540,457	9,983,482
Tax base	7,629,052	19,556,326	8,245,339	22,767,215
NOL Utilization	-390,454	-12,317,479	-950,629	-15,519,334
Tax base after NOL Utilization	7,238,598	7,238,847	7,294,710	7,247,881
Income tax payable	1,592,492	1,592,492	1,604,836	1,604,836
Sales tax	-	161,513	-	181,145
Tax Payable this year	1,592,492	1,754,005	1,604,836	1,785,981
Income Tax Expense:				
Tax Payable this year	1,592,492	1,754,005	1,604,836	1,785,981
Changes in deferred tax	-2,376,679	-2,392,366	472,761	352,561
Correction to prior years	-	-2,199	59,727	59,727
Total Income Tax Expense	-784,186	-640,561	2,137,324	2,198,269
Total Income Tax Expense in P&L	-784,186	-640,561	2,137,324	2,198,269
Income Tax Payable:				
Income Tax Payable this year	1,592,492	1,754,005	1,604,836	1,785,981
Total Income Tax Payable	1,592,492	1,754,005	1,604,836	1,785,981
Specification of Basis for Deferred Tax Asset:				
Differences to be balanced				
Fixed assets	-8,289	45,457,647	-10,402	47,941,422
Non-current receivables/debt in foreign exchange	6,826,926	6,826,926	16,817,780	16,817,780
Deferred gain carried forward	4,627,571	4,627,571	5,807,552	5,807,552
Other differences	-36,103	-36,103	-24,080	-1,868,755
Total temporary differences	11,410,105	56,876,042	22,590,849	68,697,998
NOL's carried forward	-	-84,114,641	-	-96,041,662
Interest limitation carried forward	-	-29,940,804	-377,657	-33,740,925
Basis for calculation of deferred tax asset/liability	11,410,104	-57,179,403	22,213,192	-61,084,588
Deferred tax asset (-)/liability (+)	2,510,223	-13,212,598	4,886,902	-13,703,658
Valuation allowance	-	16,053,811	-	18,937,236
Deferred tax asset (-)/liability (+) after valuation allowance	2,510,223	2,841,213	4,886,902	5,233,578
Deferred tax asset (-)/liability (+) in balance sheet	2,510,223	2,841,213	4,886,902	5,233,578
Deferred tax/tax asset not recorded in balance	-	16,053,811	-	18,937,236

Deferred tax/ deferred tax asset

Estimated deferred tax asset in subsidiary NorAm Drilling Company is not recorded in the balance sheet due to uncertainty related to valuation of this asset.

Note 6 - Earnings per share

(USD)	2025		2024	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
Result after income tax	3,401,681	14,813,264	1,514,842	2,254,092
Weighted number of shares	43,304,602	43,304,602	43,190,874	43,190,874
Options	1,100,000	1,100,000	450,000	450,000
EPS	0.08	0.34	0.04	0.05
Diluted EPS (incl. Options)	0.08	0.33	0.03	0.05

Note 7 Tangible assets

Group

Property, plant and equipment (USD)	Rigs and rig related accessories	Vehicles and Office Equipment	Total
Acquisition cost at 01.01	210,660,396	3,289,393	213,949,789
Additions	1,132,642	353,640	1,486,283
Disposals	-	-	-
Acquisition cost at 31.12	211,793,039	3,643,033	215,436,072
Accumulated depreciation 31.12	160,512,849	3,048,198	163,561,047
Net carrying value at 31.12	51,280,190	594,835	51,875,025
Depreciation for the year	5,584,766	324,309	5,909,075
Impairment loss for the year	-	-	-
The useful economic life is estimated to be	10 years	3-5 years	

The group use linear depreciation for all tangible assets

Effective 1 January 2025, the Company evaluated and changed the remaining estimated useful life to 10 years on the remaining carrying values of its Rig and Rig related accessories. The revision reflects a reassessment of the condition and standard of the rigs and related equipment, as well as their operational and historical performance, which together indicate that the assets are expected to generate economic benefits over a longer period than previously estimated. The change in estimate has been accounted for prospectively, whereby the carrying amount at the date of change is depreciated over the revised remaining useful life (the "break-point" approach). Vehicles and office equipment have estimated useful lives for accounting purposes of 3-5 years. Depreciation in 2025 was 5,909,075 compared to 19,678,450 in 2024

Impairment trigger analysis and impairment assessment on tangible assets

No impairment indicators have been identified. The overall market where the rigs operate has been stable and no changes in expected use have occurred. Accordingly, no impairment test has been performed as a result of no impairment indicators being identified.

Note 8 Shares in Subsidiaries

(USD) Company	Book value	Shares	Share of voting rights	Equity 2025	Result 2025	Main Office
NorAm Drilling Company	84,973,529	100%	100%	20,347,416	11,411,583	Houston

Impairment trigger analysis and impairment assessment for investments in subsidiaries

No impairment indicators have been identified. Recoverable amount of investment in shares is sensitive to changes in key assumptions, such as expected future dayrates and utilization. Given the magnitude of the carrying amount, management remains attentive to any changes in such assumptions. The overall market where the rigs operate has been stable and no changes in expected use have occurred.

Note 9 Intercompany Balances

(USD)	2025	2024
Noram Drilling AS		
Loan to NorAm Drilling Company (subsidiary)	44,463,805	61,511,626
Loan from NorAm Drilling Company (subsidiary)	-	-
Accounts payable to NorAm Drilling Company (subsidiary)	11,548	11,155
Noram Drilling AS receivables from NorAm Drilling Company (subsidiary)	-	-

Note 10 - Restricted bank accounts

(USD)	2025		2024	
	Noram Drilling AS	Group	Noram Drilling AS	Group
Employees tax deduction, deposited in a separate bank account	2,995	2,995	2,843	2,843
Certificate of deposit securing letter of credit	-	226,406	-	-
Secure deposit office leasing and credit cards	-	54,246	-	24,590
Total	2,995	283,647	2,843	27,433

Note 11 - Equity and Shareholder Information

Share Capital Noram Drilling AS and the Group

	2025			2024		
	No. of shares	Face value NOK	Book value NOK	No. of shares	Face value NOK	Book value NOK
Ordinary shares	43,317,957	2.00	86,635,914	43,255,096	2.00	86,510,192
Total	43,317,957		86,635,914	43,255,096		86,510,192

Equity (USD)	2025			2024		
Noram Drilling AS	Share Capital	Share Premium	Other paid in capital	Other Equity	Total	
Equity 31.12.2024	12,568,524	86,537,857	438,907	29,963,865	129,509,153	
Profit (+)/Loss (-)				3,401,682	3,401,682	
Dividends paid		-18,471,219			-18,471,219	
Change in dividends payable		1,556,604			1,556,604	
Stock Options		195,464			195,464	
Issued Capital	11,781				11,781	
Equity 31.12.2025	12,580,305	69,818,706	438,907	33,365,547	116,203,465	

Equity Group	Share Capital	Share Premium	Other Equity Contributed	Other Equity	Total
Equity 31.12.2024	12,568,524	86,537,856	369,053	-46,004,015	53,471,419
Profit (+)/Loss (-)				14,813,264	14,813,264
Dividends paid		-18,471,219			-18,471,219
Change in dividends payable		1,556,604			1,556,604
Stock Options		195,464			195,464
Issued Capital	11,781			-	11,781
Equity 31.12.2025	12,580,305	69,818,705	369,053	-31,190,751	51,577,312

The company declared and paid dividends of MUSD 7.2 subsequent to December 31, 2025 through the date of the issuance of this report.

10 Largest Shareholders as per 31.12.2025

	Noram Drilling AS and Group	
	Number of shares	Share (%)
Geveran Trading Ltd	20,818,658	48.1 %
Nordnet Livforsikring AS	1,788,159	4.1 %
SFL Corporation Ltd	1,266,225	2.9 %
Avanza Bank AB	973,756	2.2 %
Clearstream Banking S.A.	944,016	2.2 %
The Bank of New York Mellon	860,489	2.0 %
Euroclear Bank S.A./N.V.	749,758	1.7 %
Morgan Stanley & Co LLC	677,120	1.6 %
US Bank National Association	601,496	1.4 %
Nordnet Bank AB	577,708	1.3 %
Other	14,060,572	32.5 %
Total	43,317,957	100%

Note 12 Liabilities

(USD)	2025		2024	
	NorAm Drilling AS	Group	NorAm Drilling AS	Group
Long term liabilities with maturity before 5 years				
Bond	-	-	-	-
Other long term liabilities	-	-	-	-
Total	-	-	-	-

Loan to Group Companies

NorAm Drilling AS has a loan outstanding from its wholly owned subsidiary NorAm Drilling Company. A total of MUSD 44.5 and MUSD 61.5 was outstanding as of 31 December 2025 and 2024, respectively.

Revolving Promissory Note

The Company's subsidiary ("Borrower") has a Loan agreement with a U.S. based bank that provides for a Revolving Promissory Note ("Revolver") of MUSD 4.5. Use of proceeds for any borrowings under this Revolver are available for working capital and general corporate purposes based upon a borrowing base calculation equal to 70% of eligible accounts. Financial covenants include (i) a debt service coverage ratio of not less than 1.2 to 1; (ii) Minimum liquidity requirement of MUSD 5.0 and (iii) a debt to EBITDA ratio of not more than 2.0 to 1.0. The Revolver is secured by accounts receivable and expected to be utilized to reduce the required level of liquidity on our balance sheet.

Definitions:

Debt Service Coverage Ratio - Borrower will maintain, as of the last day of each fiscal year, a ratio of (a) net income after taxes plus depreciation, amortization and other non-cash expenses, less any distributions during such fiscal year, to (b) current maturities of long-term debt and long-term leases of not less than 1.2 to 1.0.

Minimum Liquidity - maintain, as of the last day of each quarter, Liquidity of at least MUSD 5.0. Liquidity means total market value of Unencumbered Liquid Assets. Unencumbered Liquid Assets means assets owned by Borrower which are not subject to any lien (other than a lien in favor of Lender): (1) cash or cash equivalents held in the United States; and (ii) funds available to be advanced under the note.

Debt to EBITDA Ratio - Borrower will maintain, as of the last day of each fiscal year, a ratio of (a) Debt to (b) EBITDA of not more than 2.0 to 1.0. Notes Payable and other debt payable to NorAm Drilling AS will not be included as "Debt".

Distributions - mean all dividends and other distributions made by Borrower to its shareholder.

EBITDA - Borrower's combined earnings before interest expense, income taxes, depreciation and amortization.

The Group complied with the financial covenants as of 31.12.2025.

Note 13 – Subsequent events

Market & Activities

WTI began 2025 around \$72 per barrel and finished 2025 near \$58 per barrel. WTI reached a high of \$78 per barrel in January 2025 and a low of \$57 per barrel in December 2025. WTI increased steadily to \$67 through 28 February 2026 when the 2026 Iran war commenced. WTI has continued to be volatile based upon uncertainties regarding the Iran war and traded as high of \$133. WTI currently trading around \$90.

As of May 27, 2026, the US land drilling active rig count and Permian rig count was 536 and 250, respectively. As of December 31, 2025, the US land drilling active rig count and Permian rig count was 527 and 247, respectively. In comparison, as of December 31, 2024, the US land drilling active rig count and Permian rig count was 573 and 304, respectively. We currently have all of our eleven rigs under contract.

Outlook

Based upon current commodity prices, uncertainty regarding the Iran war and discussions with operators, we continue to believe most major E&Ps are currently maintaining their original 2026 cap ex plans while some private operators are increasing their cap ex plans. We believe the majority of any additional rig additions in the Permian will likely occur in the 2H of 2026 primarily as a result of a lack of supply of available hot stacked and fully crewed rigs.

E&P acquisition announcements could continue to influence dayrates and rig counts. Despite the recent volatility from the Iran war, major E&P operators remain focused on maintaining current production levels and with drilling but uncompleted (DUCs) wells at decade lows in the Permian basin, we believe "super spec" rigs will remain in high demand in the Permian basin and see increasing incoming interest for rigs later in 2025.

The company declared and paid dividends of MUSD 7.2 subsequent to December 31, 2025 through the date of the issuance of this report.



To the General Meeting of NorAm Drilling AS

Independent Auditor's Report

Opinion

We have audited the financial statements of NorAm Drilling AS, which comprise:

- the financial statements of the parent company NorAm Drilling AS (the Company), which comprise the balance sheet as at 31 December 2025, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of NorAm Drilling AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty



exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen, 29 May 2026

KPMG AS

Bjart Roger Vie
State Authorised Public Accountant
(This document is signed electronically)

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Bjart Roger Vie

Partner

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