UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report: Not applicable

For the transition period from ___________________________ to ___________________________

Commission file number 001-13944

NORDIC AMERICAN TANKERS LIMITED
(Exact name of Registrant as specified in its charter)
(Translation of Registrant's name into English)
BERMUDA
(Jurisdiction of incorporation or organization)
Par La Ville Place
14 Par La Ville Street
Hamilton HM 08
Bermuda
(Address of principal executive offices)
Herbjorn Hansson, Chairman, President, and Chief Executive Officer,
Tel No. 1 (441) 292-7202,
Par La Ville Place, 14 Par La Ville Road, Hamilton HM 08, Bermuda
(Name, Telephone, E-mail and/or Facsimile number and
Address of Company Contact Person)
Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, $0.01 par value	NAT	New York Stock Exchange
Series A Participating Preferred Shares		New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

As of December 31, 2025, there were outstanding 211,750,663 common shares of the Registrant, $0.01 par value per share.

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual report or transition report, indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during this preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☒ Yes ☐ No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer", "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Emerging Growth Company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the Registrant has used to prepare the financial statements included in this filing:

☒ U.S. GAAP
☐ International Financial Reporting Standards as issued by the International Accounting Standards Board
☐ Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the Registrant has elected to follow.

☐ Item 17
☐ Item 18

If this is an annual report, indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

☐ Yes ☐ No

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain matters discussed herein may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. This report and any other written or oral statements made by us or on our behalf may include forward-looking statements, which reflect our current views with respect to future events and financial performance and are not intended to give any assurance as to future results. When used in this document, the words "believe," "expect," "anticipate," "estimate," "intend," "plan," "target," "project," "likely," "will," "would," "may," "seek," "continue," "possible," "might," "forecast," "potential," "should," "could" and similar expressions, terms, or phrases may identify forward-looking statements.

The forward-looking statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand in the tanker market, as a result of changes in the petroleum production levels set by the Organization of the Petroleum Exporting Countries, or OPEC, and worldwide oil consumption and storage, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation and potential costs due to environmental damage and vessel collisions, general domestic and international political conditions or events including "trade wars", potential disruption of shipping routes due to accidents or political events, severe weather conditions, natural disasters, the length and severity of future epidemics and pandemics and their impact on the demand for seaborne transportation in the tanker sector, vessel breakdowns and instances of off-hire, failure on the part of a seller to complete a sale of a vessel to us and other important factors described from time to time in the reports filed by the Company with the Securities and Exchange Commission, or the SEC.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable

ITEM 3. KEY INFORMATION

Throughout this annual report, all references to "Nordic American Tankers," "NAT," the "Company," "the Group," "we," "our," and "us" refer to Nordic American Tankers Limited and its subsidiaries. Unless otherwise indicated, all references to "U.S. dollars," "USD," "dollars," "US$" and "$" in this annual report are to the lawful currency of the United States of America and references to "Norwegian Kroner" or "NOK" are to the lawful currency of Norway.

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the offer and use of Proceeds

Not applicable.

D. Risk Factors

The following constitutes a summary of the material risks relevant to an investment in our company. The occurrence of any of the events described in this section could significantly and negatively affect our business, financial condition, operating results or cash available for dividends or the trading price of our common stock.

Summary of Risk Factors

- If the Suezmax tanker industry, which historically has been cyclical and volatile, is depressed in the future, our revenues, earnings and available cash flow may decrease.
- Conducting business in certain jurisdictions, including Venezuela, as well as exposure to geopolitical tensions in other regions, such as Iran and the Strait of Hormuz, may subject us to legal, regulatory, political and other risks that could have an adverse effect on our operations and financial results.
- We are dependent on spot charters and any decrease in spot charter rates in the future may adversely affect our earnings, our ability to pay dividends and our ability to repay our financial liabilities.
- Changes in the price of fuel and regulations may adversely affect our profits.
- Inability to renew the fleet would adversely affect our business, results of operations, financial condition and ability to pay dividends.
- The international Suezmax tanker industry has experienced volatile charter rates and vessel values and there can be no assurance that these charter rates and vessel values will not decrease in the near future.
- Our results of operations are subject to seasonal fluctuations, which may adversely affect our financial condition.
- A shift in consumer demand from oil towards other energy sources or changes to trade patterns for crude oil or refined oil products may have a material adverse effect on our business.
- The value of our vessels may be depressed at the time we decide to sell a vessel.
- Delays or defaults by the shipyards in the construction of newbuildings could increase our expenses and diminish our net income and cash flows.

- Terrorist attacks and international hostilities and instability can affect the tanker industry, which could adversely affect our business.
- We rely on our information systems to conduct our business, and failure to protect these systems against security breaches could adversely affect our business and results of operations. Additionally, if these systems fail or become unavailable for any significant period of time, our business could be harmed.
- If we do not manage relationships with customers or successfully integrate any acquired Suezmax tankers, we may not be able to grow or effectively manage our growth.
- Because some of our expenses are incurred in foreign currencies, we are exposed to exchange rate fluctuations, which could negatively affect our results of operations.
- The operation of Suezmax tankers involves certain unique operational risks.
- We operate our Suezmax tankers worldwide and as a result, our vessels are exposed to international risks which may reduce revenue or increase expenses.
- The smuggling of drugs or other contraband onto our vessels may lead to governmental claims against us.
- Failure to comply with the U.S. Foreign Corrupt Practices Act could result in fines, criminal penalties and an adverse effect on our business.
- Acts of piracy on ocean-going vessels could adversely affect our business.
- Maritime claimants could arrest our vessels, which could interrupt our cash flow.
- Governments could requisition our vessels during a period of war or emergency resulting in a loss of earnings.
- Technological developments which affect global trade flows and supply chains may affect the demand for our vessels.
- If we purchase secondhand vessels, we may not receive warranties from the builder and operating cost may increase as a result of aging of the fleet.
- Our insurance may not be adequate to cover our losses that may result from our operations due to the inherent operational risks of the tanker industry.
- An increase in operating costs would decrease earnings and dividends per share.
- We may be unsuccessful in competing in the highly competitive international Suezmax tanker market.
- We are subject to laws and regulations which can adversely affect our business, results of operations, cash flows and financial condition, and our ability to pay dividends.
- Regulations relating to ballast water discharge may adversely affect our revenues and profitability.
- Climate change and greenhouse gas restrictions may adversely impact our operations and markets.
- If we fail to comply with international safety regulations, we may be subject to increased liability, which may adversely affect our insurance coverage and may result in a denial of access to, or detention in, certain ports.
- Developments in safety and environmental requirements relating to the recycling of vessels may result in escalated and unexpected costs.
- Servicing our debt limits funds available for other purposes and if we cannot service our debt, we may lose our vessels.
- Our borrowing facilities, contains restrictive covenants which could negatively affect our growth, cause our financial performance to suffer and limit our ability to pay dividends.
- Variable rate indebtedness could subject us to interest rate risk, which could cause our debt service obligations to increase significantly.
- We may not be able to finance our future capital commitments.
- The current state of the global financial markets and current economic conditions may adversely impact our results of operation, financial condition, cash flows and ability to obtain financing or refinance our existing and future credit facilities on acceptable terms.
- We cannot assure you that we will be able to refinance our indebtedness.
- We are subject to certain risks with respect to our counterparties on contracts, and failure of such counterparties to meet their obligations could cause us to suffer losses or negatively impact our results of operations and cash flows.
- Our share price may continue to be highly volatile, which could lead to a loss of all or part of a shareholder’s investment.

- We operate in a cyclical and volatile industry and cannot guarantee that we will continue to make cash distributions.
- Future sales of our common stock could cause the market price of our common stock to decline.
- Ineffective internal controls could impact the Company's business and financial results.
- Increasing scrutiny and changing expectations from investors, lenders and other market participants with respect to our Environmental, Social and Governance, or ESG, policies may impose additional costs on us or expose us to additional risks.
- We have antitakeover protections which could prevent a change of control.
- If our vessels call on ports located in countries or territories that are subject to sanctions or embargoes imposed by the U.S. government, the European Union, the United Nations or other governmental authorities, it could result in monetary fines or other penalties and may adversely affect our reputation and the market and trading price of our common stock.
- Because we are a foreign corporation, you may not have the same rights that a shareholder in a U.S. corporation may have.
- We are incorporated in Bermuda, and it may not be possible for our investors to enforce U.S. judgments against us.
- We may have to pay tax on United States source income, which would reduce our earnings.
- If the United States Internal Revenue Service were to treat us as a "passive foreign investment company," that could have adverse tax consequences for United States shareholders.
- Changes in tax laws and unanticipated tax liabilities could materially and adversely affect the taxes we pay, results of operations and financial results.
- We may become subject to taxation in Bermuda or in other jurisdictions which would negatively affect our results.
- As a Bermuda exempted company incorporated under Bermuda law with subsidiaries in another offshore jurisdiction, our operations may be subject to economic substance requirements.

Risks Related to Our Business and Financial Condition

If the Suezmax tanker industry, which historically has been cyclical and volatile, is depressed in the future, our revenues, earnings and available cash flow may decrease.

We specialize in Suezmax tankers. Historically, the tanker industry has been highly cyclical, with volatility in profitability, charter rates and asset values resulting from changes in the supply of and demand for tanker capacity. Fluctuations in charter rates and tanker values result from changes in the supply of and demand for tanker capacity and changes in the supply of and demand for oil and oil products. These factors may adversely affect the rates payable and the amounts we receive in respect of our vessels. The armed conflicts in Ukraine and in the Middle East have continued to disrupt energy production and trade patterns, including shipping in the Black Sea, Red Sea and elsewhere, and its impact on energy demand and costs is expected to remain uncertain. Our ability to re-charter our vessels on the expiration or termination of their current spot and time charters and the charter rates payable under any renewal or replacement charters will depend upon, among other things, economic conditions in the tanker market and we cannot guarantee that any renewal or replacement charters we enter into will be sufficient to allow us to operate our vessels profitably. The factors affecting the supply and demand for tankers are outside of our control, and the nature, timing and degree of changes in industry conditions are unpredictable.

The factors that influence demand for tanker capacity include:

- supply of and demand for increased use of renewable and alternative energy resources and oil products, and competition from other shipping companies and other modes of transportation;

- global and regional economic and political conditions and developments, including developments and disruptions in international trade, including the imposition of tariffs and fees, the increased vessel attacks and piracy in the Red Sea, national oil reserves policies, refinery additions and closures, work stoppages, fluctuations in industrial and agricultural production and armed conflicts;

- the price of oil;

- regional availability of refining capacity and inventories compared to geographies of oil production regions;
- environmental issues and concerns and other legal and regulatory developments;
- the distance oil and oil products are to be moved by sea;
- changes in seaborne and other transportation patterns, including changes in the distances over which tanker cargoes are transported by sea;
- increases in the production of oil in areas linked by pipelines to consuming areas, the extension of existing, or the development of new, pipeline systems in markets we may serve, or the conversion of existing non-oil pipelines to oil pipelines in those markets;
- currency exchange rates;
- availability of financing and changes in interest rates;
- weather and acts of God, natural disasters and health disasters;
- changes in consumption of oil and petroleum products due to competition from supply and demand for new, alternative sources of energy and from other shipping companies and other modes of transport;
- international sanctions, embargoes, import and export restrictions, nationalizations, piracy, terrorist attacks and armed conflicts, and other international hostilities, strikes, and potential physical disruption of shipping routes as a result thereof;
- any restrictions on crude oil production imposed by the Organization of the Petroleum Exporting Countries, or OPEC, and non-OPEC oil producing countries; and
- regulatory changes including regulations adopted by supranational authorities and/or industry bodies, such as safety and environmental regulations and requirements by major oil companies.

The factors that influence the supply of tanker capacity include:

- the demand for alternative energy resources;
- supply of and demand for energy resources and oil and petroleum products;
- current and expected purchase orders for tankers;
- the number of tanker newbuilding deliveries;
- the number of vessel casualties;
- any potential delays in the delivery of newbuilding vessels and/or cancellations of newbuilding orders;
- the number of shipyards and ability of shipyards to deliver vessels;
- availability of financing and interest rates on financing for new vessels and shipping activity;
- the price of oil;
- the recycling and scrapping rates of older tankers;

- technological advances in tanker design and capacity, propulsion technology and fuel consumption efficiency;
- tanker charter rates, which are affected by factors that may affect the rate of newbuilding, swapping and laying up of tankers;
- the number of vessels used for floating storage;
- the number of vessels under sanctions and hence not able to trade on the mainstream market;
- prevailing and expected future freight and charter hire rates;
- costs of bunkers and fuel oil and their impact on vessel speed;
- the efficiency, age, and sophistication of the world tanker fleet;
- potential disruption, including supply chain disruptions, of shipping route due to accidents, political events and armed conflicts;
- the age of the world tanker fleet;
- port and canal congestion;
- speed of vessel operation;
- price of steel and vessel equipment;
- conversion of tankers to other uses or conversion of other vessels to tankers;
- the number of product tankers trading crude or “dirty” oil products (such as fuel oil);
- product imbalances (affecting the level of trading activity) and developments in international trade;
- developments in international trade, including refinery additions and closures;
- the phasing of maritime shipping into the EU Emission Trading Scheme, or the ETS, which applies to all large ships of 5,000 gross tonnage or above;
- the number of tankers that are out of service, namely those that are laid up, drydocked, undergoing surveys, awaiting repairs or upgrades or otherwise not available for hire; and
- changes in environmental and other regulations that may limit the useful lives of tankers, and environmental concerns and regulations, including ballast water management, low sulfur fuel consumption regulations, and reductions in carbon dioxide, or CO2, emissions.

The geopolitical development, including the potential disruption or near closure of the Strait of Hormuz amid escalating conflict in the Middle East, have resulted in significant rerouting of tanker traffic and disruption to shipping flows. These conditions have led to shifts in alternative routes, increased transportation costs, and higher insurance and risk premiums, which could adversely affect our operations and financial results. The Company has vessels located within the Persian Gulf that are currently unable to operate on normal commercial schedules due to the disruption in the area. The factors affecting the supply and demand for tankers have been volatile and are outside of our control, and the nature, timing and degree of changes in industry conditions are unpredictable, including those discussed above. Continued volatility may adversely affect the availability and cost of capital. Disruptions in global financial markets, increased risk perception among lenders, and volatility in credit conditions may limit the Company’s ability to obtain financing on acceptable terms, or at all. This could impact the Company’s ability to refinance existing indebtedness, fund capital expenditures, or support ongoing operations. Any weakening in financing conditions could have a material adverse effect on the Company’s liquidity, financial condition, and results of operations.

The market supply of Suezmax tankers is affected by a number of factors such as demand for energy resources, including oil and petroleum products, as well as overall economic growth in parts of the world economy, including Asia. If the supply of tanker capacity increases and if the demand for tanker capacity does not increase correspondingly, charter rates and vessel values could materially decline. A reduction in charter rates and the value of our vessels could have an adverse effect on our business, results of operations, ability to pay dividends, and financial position.

We anticipate that the future demand for our tankers will be dependent upon economic growth in the world's economies, seasonal and regional changes in demand, changes in the capacity of the global tanker fleet and the sources and supply of oil and petroleum products to be transported by sea. Given the number of new tankers currently on order with shipyards in combination with the age profile of the existing world tanker fleet, the capacity of the global tanker fleet seems likely to be muted, but there can be no assurance as to the timing or extent of future economic growth. Adverse economic, political, social or other developments could have a material adverse effect on our business and operating results, including possible impairment charges against our earnings.

Declines in oil and natural gas prices or decreases in demand for oil and natural gas for an extended period of time, or market expectations of potential decreases in these prices and demand, could negatively affect our future growth in the tanker and offshore sector. Sustained periods of low oil and natural gas prices typically result in reduced exploration and extraction because oil and natural gas companies' capital expenditure budgets are subject to cash flow from such activities and are therefore sensitive to changes in energy prices. Sustained periods of high oil prices on the other hand may be destructive for demand. These changes in commodity prices can have a material effect on demand for our services, and periods of low demand can cause excess vessel supply and intensify the competition in the industry, which often results in vessels, particularly older and less technologically advanced vessels, being idle for long periods of time. We cannot predict the future level of demand for our services or future conditions of the oil and natural gas industry. Any decrease in exploration, development or production expenditures by oil and natural gas companies or decrease in the demand for oil and natural gas could reduce our revenues and materially harm our business, results of operations and cash available for distribution.

Conducting business in Venezuela may subject us to legal, regulatory, political and other risks that could have an adverse effect on our operations and financial results.

Conducting business in Venezuela may subject us to legal, regulatory, political, currency, security, and/or nationalization of assets and economic risks. Venezuela is extremely well endowed with natural resources such as petroleum, natural gas, iron ore, gold, bauxite, diamonds and other minerals, and its economy is heavily dependent on export of natural resources to key trading partners. According to the Organization of Petroleum Exporting Countries, or OPEC, 2025 Annual Statistical Bulletin (60th edition), Venezuela had the world's largest proven crude oil reserves in 2024. Political, economic, and geopolitical developments in Venezuela could alter crude oil supply, trade flows, and shipping routes, generating volatility in prices, port disruptions, logistics costs, and insurance costs, among other effects. Following the arrest and extradition of Venezuela's former President Nicolás Maduro in January of 2026, the Trump Administration has indicated a likely shift in U.S. sanctions policy concerning the sale and transportation of Venezuelan oil, and the U.S. Department of the Treasury's Office of Foreign Assets Control, or OFAC, has subsequently issued general licenses authorizing certain activities and transactions involving Venezuelan-origin oil and the sale of U.S.-origin diluents to Venezuela. Notwithstanding these recent measures, it remains unknown to what extent Venezuelan sanctions will be retained, expanded or otherwise modified by the U.S., or the effect that any such actions or any actions taken by other countries in response will have on us or our industry, but such measures along with continuing political uncertainty could have an adverse effect on our business, financial conditions, and results of operations.

We are dependent on spot charters and any decrease in spot charter rates in the future may adversely affect our earnings, our ability to pay dividends and our ability to repay our financial liabilities.

The 17 vessels that we currently operate are primarily employed in the spot market with five vessels currently employed on time charter contracts. We are therefore highly dependent on spot market charter rates. The spot market remains highly volatile, with extreme rate spikes driven by the near closure of the Strait of Hormuz and associated geopolitical risks, followed by sharp corrections as trade flows adjust. Freight rates have reached record highs amid disrupted tanker availability, elevated war-risk premiums, and longer alternative routing, but underlying demand dislocation and voyage uncertainty may also lead to sudden declines below operating costs. As spot charters are fixed per voyage, often lasting several weeks, there is typically a lag in capturing upward rate movements during rapidly rising markets.

We will be exposed to prevailing charter rates in the crude tanker sectors when these vessels' existing charters expire, and to the extent the counterparties to our fixed-rate charter contracts fail to honor their obligations to us. We will also enter into spot charters in the future. The spot charter market may fluctuate significantly based upon tanker and oil supply and demand.

The successful operation of our vessels in the competitive spot charter market depends on, among other things, obtaining profitable spot charters and minimizing, to the extent possible, time spent waiting for charters and time spent traveling in ballast to pick up cargo. When the current charters for our fleet expire or are terminated, it may not be possible to re-charter these vessels at similar rates, or at all, or to secure charters for any vessels we agree to acquire at similarly profitable rates, or at all. As a result, we may have to accept lower rates or experience off hire time for our vessels, which would adversely impact our revenues, results of operations, including impairment charges against our earnings, and financial condition. If an excess of vessels is available on the spot or short-term market at the time we are seeking to fix new longer-term charters, we may have difficulty entering into such charters at all or at profitable rates and for any term other than short term and, as a result, our cash flow may be subject to instability in the mid to long-term. In addition, it would be more difficult to fix relatively older vessels should there be an oversupply of younger vessels on the market. A depressed spot market may require us to enter into short-term spot charters based on prevailing market rates, which could result in a decrease in our cash flow.

Changes in the price of fuel and regulations may adversely affect our profits.

Fuel, including bunkers, is a significant, if not the largest, expense in our shipping operations, and changes in the price of fuel may adversely affect our profitability. The cost of fuel, including the fuel efficiency or capability to use lower priced fuel, can also be an important factor considered by charterers in negotiating charter rates. Upon redelivery of vessels at the end of a time charter, we may be obliged to repurchase the fuel on board at prevailing market prices, which could be materially higher than fuel prices at the inception of the time charter period. The price and supply of fuel is unpredictable and fluctuates based on events outside our control, including geopolitical developments, such as the ongoing conflict in the Middle-East, Russia and Ukraine and between Israel and Hamas, supply and demand for oil and gas, actions by OPEC and other oil and gas producers, war and unrest in oil producing countries and regions, regional production patterns and environmental concerns, which may reduce our profitability and have a material adverse effect on our future performance, results of operations, cash flows and financial position.

Effective January 1, 2020, the International Maritime Organization, or IMO, implemented a regulation for a 0.50% global sulfur cap on emissions from vessels. Under this new global cap, vessels must use marine fuels with a sulfur content of no more than 0.50% or use an exhaust gas cleaning system, against the former regulations specifying a maximum of 3.50% sulfur in an effort to reduce the emission of sulfur oxide into the atmosphere.

All our vessels are complying with all global regulations imposed by IMO or EU. The vessels use the fuel required as per the vessel design, either with or without an exhaust gas cleaning system. Further to that there is a combination of biofuel when available and favorable based on price. This is as a result of the EU requirements to reduce CO_2 emissions, FUEL EU Maritime and EU ETS will impact the income as part of voyage costs. Regarding fuel prices, they fluctuate a lot depending on fuel grade, oil prices, geographic locations, and availability.

Our operations and the performance of our vessels, and as a result our results of operations, cash flows and financial position, may be negatively affected to the extent that compliant fuel oils are of low or inconsistent quality, or upon occurrence of any of the other foregoing events. Costs of compliance with these and other related regulatory changes may be significant and may have a material adverse effect on our future performance, results of operations, cash flows and financial position. As a result, an increase in the price of compliance beyond our expectations may adversely affect our profitability at the time of charter negotiation. Further, fuel may become much more expensive in the future, which may reduce the profitability and competitiveness of our business versus other forms of transportation.

Inability to renew the fleet would adversely affect our business, results of operations, financial condition and ability to pay dividends.

If we do not set aside funds or are unable to borrow or raise funds for vessel replacement, we will be unable to replace the vessels in our fleet upon the expiration of their useful lives. We estimate that our vessels have a useful life of up to 25 years from the date of their initial delivery from the shipyard. In case we acquire secondhand vessels, they are depreciated from the date of their acquisition through their remaining estimated useful life. Our cash flows and income are dependent on the revenues earned by the chartering of our vessels. If we are unable to replace the vessels in our fleet upon the expiration of their useful lives, our business, results of operations, financial condition and ability to pay dividends would be adversely affected. Any funds set aside for vessel replacement will not be available for dividends.

The international Suezmax tanker industry has experienced volatile charter rates and vessel values and there can be no assurance that these charter rates and vessel values will not decrease in the near future.

The Baltic Dirty Tanker Index, or the BDTI, a U.S. dollar daily average of charter rates issued by the Baltic Exchange that takes into account input from brokers around the world regarding crude oil fixtures for various routes and oil tanker vessel sizes, is volatile. The pattern in 2025 and 2024, BDTI was highly influenced by geopolitical events and the highs of 2025 were reached towards the end of the year. In contrast to 2024 which saw its highs at the beginning of the year. The average for 2025 came in at 1068, slightly lower than the 1093 reached in 2024. During 2025, the BDTI reached a high of 1468 and a low of 799 compared to a high of 1,552 and a low of 860 in 2024. The Baltic Clean Tanker Index, or BCTI, a comparable index to the BDTI, saw a high of 885 and a low of 534 in 2025. This compares to a high of 1,411 and a low of 460 in 2024. The BCTI saw slightly higher volatility and higher levels in 2024 compared to 2025. So far in 2026 markets have reached historic high levels, and the BDTI and BCTI were at 2831 and 2123, respectively, as of April 17, 2026. There can be no assurance that the crude oil and petroleum products charter market will increase or continue at the current levels, and the market could again decline. This volatility in charter rates depends, among other factors, on changes in the supply and demand for tanker capacity and changes in the supply and demand for oil and oil products, the demand for crude oil and petroleum products, the inventories of crude oil and petroleum products in the United States and in other industrialized nations, oil refining volumes, oil prices, and any restrictions on crude oil production imposed by OPEC and non-OPEC oil producing countries as well as seasonal variations and geopolitical events.

Charter rates in the Suezmax tanker industry are volatile. We anticipate that future demand for our vessels, and in turn our future charter rates, will be dependent upon economic growth in the world’s economies, as well as seasonal and regional changes in demand and changes in the capacity of the world’s fleet. There can be no assurance that economic growth will not stagnate or decline leading to a decrease in vessel values and charter rates. A decline in vessel values and charter rates would have an adverse effect on our business, financial condition, results of operation and ability to pay dividends.

Our results of operations are subject to seasonal fluctuations, which may adversely affect our financial condition.

We operate our vessels in markets that have historically exhibited seasonal variations in demand and, as a result, charter rates. Seaborne trading and distribution patterns are primarily influenced by the relative advantage of the various sources of production, locations of consumption, pricing differentials and seasonality. Changes to the trade patterns of oil and oil products may have a significant negative or positive impact on the ton-mile and therefore the demand for our tankers. Peaks in tanker demand quite often precede seasonal oil consumption peaks, as refiners and suppliers anticipate consumer demand. Charter rates for tankers are typically higher in the fall and winter months as a result of increased oil consumption in the Northern Hemisphere. Unpredictable weather patterns and variations in oil reserves disrupt tanker scheduling. Because many of the Company's vessels trade in the spot market, seasonality may affect operating results on a quarter-to-quarter basis and could continue to do so in the future. Such seasonality may be outweighed in any period by then current economic conditions or tanker industry fundamentals. This could have a material adverse effect on our future performance, results of operations, cash flows and financial position.

A shift in consumer demand from oil towards other energy sources or changes to trade patterns for crude oil or refined oil products may have a material adverse effect on our business.

A significant portion of our earnings are related to the oil industry. A shift in or disruption of consumer demand from oil towards other energy sources such as wind energy, solar energy, nuclear energy, electricity, natural gas, liquified natural gas or LNG, renewable energy, hydrogen or ammonia will potentially affect the demand for our vessels. A shift from the use of internal combustion engine vehicles may also reduce the demand for oil. While the International Energy Agency, or the IEA, forecasts "peak oil", the year when the maximum volume of oil is consumed, to be around 2030 based on countries' stated energy policies and targets, in the IEA's latest World Energy Outlook report from November 2025, the agency introduced a scenario where oil demand would not peak at least before 2050. Nevertheless, a shift in consumer demand away from oil and oil products could have a material adverse effect on our future performance, results of operations, cash flows and financial position.

Seaborne trading and distribution patterns are primarily influenced by the relative advantage of the various sources of production, locations of consumption, pricing differentials and seasonality, and, more recently, government sanctions. Changes to the trade patterns of crude oil or refined oil products may have a significant negative or positive impact on the ton-mile and therefore the demand for our tankers. This could have a material adverse effect on our future performance, results of operations, cash flows and financial position.

The value of our vessels may be depressed at the time we decide to sell a vessel.

Tanker values have historically experienced high volatility. Investors can expect the fair market value of our tankers to fluctuate, depending on general economic and market conditions affecting the tanker industry and competition from other shipping companies, types, ages and sizes of vessels, availability of or developments in other modes of transportation, competition from other tanker companies, cost of newbuildings, applicable governmental or other regulations and technological advances. In addition, as vessels age, they generally decline in value. These factors will affect the value of our vessels for purposes of covenant compliance under our borrowing facilities and at the time of any vessel sale. If for any reason we sell a tanker at a time when tanker prices have fallen, the sale may be at less than the tanker's carrying amount in our financial statements, with the result that we would also incur a loss on the sale and a reduction in earnings from impairment charges, which could reduce our ability to pay dividends and negatively affect our business, financial condition and operating results.

The carrying values of our vessels may not represent their charter-free market value at any point in time. Furthermore, if vessel values fall significantly, this could indicate a decrease in the recoverable amount for the vessel which may result in an impairment adjustment in our financial statements, which could adversely affect our financial results and condition. We did not record an impairment charge during the year ended December 31, 2025. Conversely, if vessel values are elevated at a time when we wish to acquire additional vessels, the cost of acquisition may increase and this could adversely affect our business, results of operations, cash flow and financial condition.

Delays or defaults by the shipyards in the construction of newbuildings could increase our expenses and diminish our net income and cash flows.

We may enter into contracts for newbuilding vessels in the future. Vessel construction projects are generally subject to risks of delay that are inherent in any large construction project, which may be caused by numerous factors, including shortages of equipment, materials or skilled labor, unscheduled delays in the delivery of ordered materials and equipment or shipyard construction, failure of equipment to meet quality and/or performance standards, financial or operating difficulties experienced by equipment vendors or the shipyard, unanticipated actual or purported change orders, inability to obtain required permits or approvals, design or engineering changes and work stoppages and other labor disputes, adverse weather conditions, pandemics or any other events of force majeure. Significant delays could adversely affect our financial position, results of operations and cash flows. Shipbuilding contracts require installment and delivery payments and the ability to meet these obligations depends on access to financing and capital market. If the Company is unable to secure financing, we may be required to delay or cancel vessel deliveries. Additionally, failure to complete a project on time may result in the delay of revenue from that vessel, and we will continue to incur costs and expenses related to delayed vessels, such as supervision expense and interest expense for the issued and outstanding debt. If we already committed to a third party the use of the vessel upon construction completion, then we may breach such commitment and be subject to pay related damages, such as any increased costs the counterparty pays to secure an alternate vessel to use. As of December 31, 2025, we had no Suezmax vessels on order. After the year end, we have entered into a firm order for two Suezmax vessels to be built at South Korean shipyard, Daehan Shipbuilding. The two ships are scheduled for delivery in 2028 and as such, we are exposed to risks related to construction of newbuildings.

Measures have been taken to supervise the quality of the work completed at the shipyard where our newbuildings are being constructed. In the past we have obtained refund guarantees for the pre-delivery installments as security for pre-delivery installment payments paid. We can provide no assurance that these, or any other measures we may take, will fully mitigate these risks, and any failure by a counterparty to meet its obligations in relation to the newbuildings may result in delays or cancellations of the delivery of the newbuildings, renegotiation of terms, delayed renewal of our tanker fleet and consequent deterioration of our competitive position, any of which may result in significant losses for us which could have a material adverse effect on our future performance, results of operations, cash flows and financial position.

Terrorist attacks and international hostilities and instability can affect the tanker industry, which could adversely affect our business.

We conduct most of our operations outside of the United States, and our business, results of operations, cash flows, financial condition and ability to pay dividends, if any, in the future may be adversely affected by changing economic, political and government conditions in the countries and regions where our vessels are employed or registered. Moreover, we operate in a sector of the economy that is likely to be adversely impacted by the effects of political conflicts. Currently, the world economy continues to face a number of actual and potential challenges, including the war between the United States and Israel, and Iran and between Ukraine and Russia, current trade tension between the United States and China, among other countries, political instability in Venezuela, the Middle East, and the South China Sea region and other geographic countries and areas, terrorist or other attacks, war (or threatened war) or international hostilities, such as those between the United States and China or, North Korea, epidemics or pandemics, and banking crises or failures.

In the past, political instability has also resulted in attacks on vessels, mining of waterways and other efforts to disrupt international shipping, particularly in the Arabian Gulf region, the Black Sea and in the Red. Acts of terrorism and piracy have also affected vessels trading in regions such as the South China Sea and the Gulf of Aden off the coast of Somalia, among others. . In addition, the recent armed conflict between the U.S. and Israel, and Iran has caused a de facto closure of the Strait of Hormuz and further disruption of trade routes in the Red Sea, which could have significant impacts in the Middle East region and on the global oil markets. Indeed, as a result of the conflict in Iran and the resultant volatility in the global oil markets, on March 12, 2026, the United States Department of the Treasury's Office of Foreign Assets Control, or OFAC, issued a general license authorizing, through 12:01 a.m. eastern daylight time on April 11, 2026, the sale, delivery, or offloading of Russian Federation origin crude oil or petroleum products loaded on any vessel on or before 12:01 a.m. eastern daylight time on March 12, 2026, including vessels previously blocked by OFAC under several existing sanctions programs. Any of these occurrences could have a material adverse impact on our future performance, results of operation, cash flows and financial position.

These factors could also increase the costs to the Company of conducting its business, particularly crew, insurance and security costs, and prevent or restrict the Company from obtaining insurance coverage, all of which have a material adverse effect on our business, financial condition, results of operations and cash flows.

We rely on our information systems to conduct our business, and failure to protect these systems against security breaches could adversely affect our business and results of operations. Additionally, if these systems fail or become unavailable for any significant period of time, our business could be harmed.

We rely on our computer systems and network infrastructure across our operations, including IT systems on our vessels operated by our technical managers. The safety and security of our vessels and efficient operation of our business, including processing, transmitting and storing electronic and financial information, are dependent on computer hardware and software systems, which are increasingly vulnerable to security breaches and other disruptions and may be susceptible to damage, disruptions or shutdowns, hardware or software failures, power outages, computer viruses, cyberattacks, telecommunication failures, user errors or catastrophic events. Any significant interruption or failure of our information systems or any significant breach of security could adversely affect our business and results of operations.

Our vessels rely on information systems for a significant part of their operations, including navigation, provision of services, propulsion, machinery management, power control, communications and cargo management. We have in place safety and security measures on our vessels and onshore operations to secure our vessels against cyber-security attacks and any disruption to their information systems. However, these measures and technology may not adequately prevent security breaches despite our continuous efforts to upgrade and address the latest known threats. A disruption to the information system of any of our vessels could lead to, among other things, wrong routing, collision, grounding and propulsion failure.

Beyond our vessels, we rely on industry accepted security measures and technology to securely maintain confidential and proprietary information maintained on our information systems. However, these measures and technology may not adequately prevent security breaches. The technology and other controls and processes designed to secure our confidential and proprietary information, detect and remedy any unauthorized access to that information were designed to obtain reasonable, but not absolute, assurance that such information is secure and that any unauthorized access is identified and addressed appropriately. Such controls may in the future fail to prevent or detect, unauthorized access to our confidential and proprietary information. In addition, the foregoing events could result in violations of applicable privacy and other laws. If confidential information is inappropriately accessed and used by a third party or an employee for illegal purposes, we may be responsible to the affected individuals for any losses they may have incurred as a result of misappropriation. In such an instance, we may also be subject to regulatory action, investigation or liable to a governmental authority for fines or penalties associated with a lapse in the integrity and security of our information systems.

Our operations, including our vessels, and business administration could be targeted by individuals or groups seeking to sabotage or disrupt such systems and networks, or to steal data, and these systems may be damaged, shutdown or cease to function properly (whether by planned upgrades, force majeure, telecommunications failures, hardware or software break-ins or viruses, other cyber-security incidents or otherwise). For example, the information systems of our vessels may be subject to threats from hostile cyber or physical attacks, phishing attacks, human errors of omission or commission, structural failures of resources we control, including hardware and software, and accidents and other failures beyond our control. The threats to our information systems are constantly evolving and have become increasingly complex and sophisticated. Furthermore, such threats change frequently and are often not recognized or detected until after they have been launched, and therefore, we may be unable to anticipate these threats and may not become aware in a timely manner of such a security breach, which could exacerbate any damage we experience. We do not maintain cyber-liability insurance at this time to cover such losses. As a result, a cyber-attack or other breach of any such information technology systems could have a material adverse effect on our business, results of operations and financial condition. As of the date of this annual report, we have not experienced any material cybersecurity incident which would be disclosable under SEC guidelines.

We may be required to expend significant capital and other resources to protect against and remedy any potential or existing security breaches and their consequences. As cyberattacks become increasingly sophisticated, and as tools and resources become more readily available to malicious third parties, there can be no guarantee that our actions, security measures and controls designed to prevent, detect or respond to intrusion, to limit access to data, to prevent destruction or alteration of data or to limit the negative impact from such attacks, can provide absolute security against compromise. A cyber-attack on us could result in significant expenses to investigate and repair security breaches or system damages and could lead to litigation, fines, other remedial action, heightened regulatory scrutiny and diminished customer confidence. In addition, our remediation efforts may not be successful, and we may not have adequate insurance to cover these losses.

The unavailability of the information systems or the failure of these systems to perform as anticipated for any reason could disrupt our business and could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Moreover, cyber-attacks against the Ukrainian government and other countries in the region have been reported in connection with the ongoing conflict between Russia and Ukraine. To the extent such attacks have collateral effects on global critical infrastructure or financial institutions or us, such developments could adversely affect our business, operating results and financial condition. It is difficult to assess the likelihood of such threat and any potential impact at this time.

The EU has adopted a comprehensive overhaul of its data protection regime from the current national legislative approach to a single European Economic Area Privacy Regulation, the General Data Protection Regulation, or GDPR. The GDPR came into force on May 25, 2018, and applies to organizations located within the EU, as well as to organizations located outside of the EU if they offer goods or services to, or monitor the behavior of, EU data subjects. It imposes a strict data protection compliance regime with significant penalties and includes new rights such as the "portability" of personal data. It applies to all companies processing and holding the personal data of data subjects residing in the EU, regardless of the company's location. Implementation of the GDPR could require changes to certain of our business practices, thereby increasing our costs. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition and results of operations.

Additionally, there continues to be significant evolution and developments in the use of artificial intelligence, or AI, technologies, including generative AI. While we have not integrated the use of artificial intelligence in our business currently, we could integrate it in the future and, at this time, cannot fully determine the impact of such evolving technology to our industry or business. As part of services provided by third-party application providers the risks are assessed as part of the normal risk assessments. At this stage, we do not expect AI to cause increased risk to our industry or business.

Further, the SEC, on July 26, 2023, adopted amendments requiring the prompt public disclosure of certain cybersecurity breaches. If we fail to comply with the relevant laws and regulations, we could suffer financial losses, a disruption of our businesses, liability to investors, regulatory intervention or reputational damage. For more information on our cybersecurity risk management and strategy, please see "Item 16K. Cybersecurity".

If we do not manage relationships with customers or successfully integrate any acquired Suezmax tankers, we may not be able to grow or effectively manage our growth.

Our future growth will depend upon a number of factors, some of which may not be within our control. Some of these factors include our ability to:

- identify suitable tankers and/or shipping companies for acquisitions at attractive prices, which may not be possible if asset prices rise too quickly,
- obtain newbuild contracts at acceptable prices,
- manage relationships with customers and suppliers,
- identify businesses engaged in managing, operating or owning tankers for acquisitions or joint ventures,
- integrate any acquired tankers or businesses successfully with our then-existing operations,

- hire, train and retain qualified personnel and crew to manage and operate our growing business and fleet,
- identify additional new markets and expand or enlarge our customer base,
- improve our operating, financial and accounting systems and controls, and
- obtain required financing for our existing and new operations.

Our failure to effectively identify, purchase, manage customer relationships and integrate any tankers or businesses could adversely affect our business, financial condition and results of operations. We may incur unanticipated expenses as an operating company. It is possible that the number of employees employed by the company, or current operating and financial systems may not be adequate as we implement our plan to expand the size of our fleet. Finally, acquisitions may require additional equity issuances or debt issuances (with amortization payments), both of which could lower dividends per share. If we are unable to expand or execute certain aspects of our business or events noted above, our financial condition and dividend rates may be adversely affected.

Growing any business by acquisition presents numerous risks such as undisclosed liabilities and obligations, difficulty in obtaining additional qualified personnel, and integrating newly acquired operations into existing infrastructures. The expansion of our fleet may impose significant additional responsibilities on our management and staff, and the management and staff of our commercial and technical managers, and may necessitate that we, and they, increase the number of personnel. We cannot give any assurance that we will be successful in executing our growth plans or that we will not incur significant expenses and losses in connection with our future growth.

Because some of our expenses are incurred in foreign currencies, we are exposed to exchange rate fluctuations, which could negatively affect our results of operations.

The charterers of our vessels pay us primarily in U.S. dollars. While we mostly incur our expenses in U.S. dollars, we may incur expenses in other currencies, most notably the Norwegian Kroner. Declines in the value of the U.S. dollar relative to the Norwegian Kroner, or the other currencies in which we may incur expenses in the future, would increase the U.S. dollar cost of paying these expenses and thus would affect our results of operations.

Risks Related to the Operations of Our Vessels and Regulations

The operation of Suezmax tankers involves certain unique operational risks.

The operation of Suezmax tankers has unique operational risks associated with the transportation of oil. An oil spill may cause significant environmental damage, and a catastrophic spill could exceed the insurance coverage available. Compared to other types of vessels, tankers are exposed to a higher risk of damage and loss by fire or explosion, whether ignited by a terrorist attack, collision, or other cause, due to the high flammability and high volume of the oil transported in tankers. These hazards may result in death or injury to persons, loss of revenues or property, governmental fines, penalties or restrictions on conducting business, the payment of ransoms, environmental damage, higher insurance rates, damage to our customer relationships and reputation and market disruptions, delay or rerouting, governmental fines, penalties or restrictions, any of which may reduce our revenue or increase our expenses and also subject us to litigation.

We operate our Suezmax tankers worldwide and as a result, our vessels are exposed to international risks which may reduce revenue or increase expenses.

The international shipping industry is an inherently risky business involving global operations. The operations of ocean-going vessels in international trade are affected by a number of risks. Our vessels are at a risk of damage or loss because of events such as marine and environmental disasters, bad weather and other acts of God, business interruptions caused by mechanical failures, grounding, collision, human error, war, terrorism, piracy, robbery, diseases, crew strikes and/or boycotts, cargo loss and other circumstances or events. In addition, changing economic, regulatory and political conditions in some countries, including political and military conflicts, have from time to time resulted in attacks on vessels, mining of waterways, piracy, terrorism, labor strikes and boycotts. For example, there have been threats, including piracy and drone and missile attacks on commercial vessels transiting the Red Sea and surrounding waterways, which are believed to be led by the Yemen-based Houthi rebel group purportedly in response to the armed conflict between Israel and Hamas. These sorts of events could interfere with shipping routes and result in market disruptions which may reduce our revenue or increase our expenses.

If our vessels suffer damage, they may need to be repaired at a drydocking facility. The costs of drydock repairs are unpredictable and may be substantial. We may have to pay drydocking costs that our insurance does not cover at all or in full. The loss of revenues while these vessels are being repaired and repositioned, as well as the actual cost of these repairs, may be material. In addition, space at drydocking facilities is sometimes limited and not all drydocking facilities are conveniently located. We may be unable to find space at a suitable drydocking facility or our vessels may be forced to travel to a drydocking facility that is not conveniently located relative to our vessels' positions. The loss of earnings while these vessels are forced to wait for space or to travel to more distant drydocking facilities may also be material. Further, the total loss of any of our vessels could harm our reputation as a safe and reliable vessel owner and operator. If we are unable to adequately maintain or safeguard our vessels, we may be unable to prevent any such damage, costs or loss which could negatively impact our business, financial condition, results of operations, cash flows and ability to pay dividends.

International shipping is subject to various security and customs inspections and related procedures in countries of origin and destination and trans-shipment points. Inspection procedures can result in the seizure of the cargo and/or our vessels, delays in loading, offloading or delivery, and the levying of customs duties, fines or other penalties against us. It is possible that changes to inspection procedures could impose additional financial and legal obligations on us. Furthermore, changes to inspection procedures could also impose additional costs and obligations on our customers and may, in certain cases, render the shipment of certain types of cargo uneconomical or impractical. Any such changes or developments may have a material adverse effect on our business, results of operations, cash flows, financial condition and available cash.

The smuggling of drugs or other contraband onto our vessels may lead to governmental claims against us.

We expect that our vessels will call in ports where smugglers attempt to hide drugs and other contraband on vessels, with or without the knowledge of crew members. To the extent our vessels are found with contraband or stowaways, whether inside or attached to the hull of our vessel and whether with or without the knowledge of any of our crew, we may face governmental or other regulatory claims or restrictions, and our vessels may be detained for a prolonged period of time, which could have an adverse effect on our business, results of operations, cash flows, financial condition and ability to pay dividends. Under some jurisdictions, vessels used for the conveyance of illegal drugs could be subject to forfeiture, resulting in forfeiture of the vessel to the government of such jurisdiction.

Failure to comply with the U.S. Foreign Corrupt Practices Act could result in fines, criminal penalties and an adverse effect on our business.

We may operate in a number of countries throughout the world, including countries suspected to have a risk of corruption. We are committed to doing business in accordance with applicable anti-corruption laws. We are subject to the risk that we, our service providers, or their respective officers, directors, employees and agents may take actions determined to be in violation of such anti-corruption laws, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, curtailment of operations in certain jurisdictions, and might adversely affect our business, earnings or financial condition. In addition, actual or alleged violations could damage our reputation and ability to do business. Furthermore, detecting, investigating, and resolving actual or alleged violations is expensive and can consume significant time and attention of our senior management.

Acts of piracy on ocean-going vessels could adversely affect our business.

Acts of piracy have historically affected ocean-going vessels trading in regions of the world such as the South China Sea, the Red Sea, the Gulf of Aden off the Coast of Somalia, and particularly the Gulf of Guinea region, off of Nigeria, which experienced increased incidents of piracy in recent years. Acts of piracy and war like conditions could result in harm or danger to the crews onboard our vessels. In addition, if piracy attacks occur in regions in which our vessels are deployed that insurers characterized as "war risk" zones or by the Joint War Committee as "war and strikes" listed areas, premiums payable for such coverage could increase significantly and such insurance coverage may be more difficult to obtain. Furthermore, the Houthi seizures and attacks on commercial vessels in the Red Sea and the Gulf of Aden have impacted the global economy as some companies, including Nordic American Tankers Limited, have decided to reroute vessels to avoid the Suez Canal and Red Sea. In addition, crew costs, including costs which may be incurred to the extent we employ onboard security guards, could increase in such circumstances. We may not be adequately insured to cover losses from these incidents, which could have a material adverse effect on us. In addition, detention or hijacking as a result of an act of piracy against our vessels, or an increase in cost, or unavailability of insurance for our vessels, could have a material adverse impact on our business, financial condition and results of operations.

Maritime claimants could arrest our vessels, which could interrupt our cash flow.

Crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages. In many jurisdictions, a maritime lienholder may enforce its lien by "arresting" or "attaching" a vessel through foreclosure proceedings. The arrest or attachment of one or more of our vessels could result in a significant loss of earnings for the related off-hire period. In addition, in jurisdictions where the "sister ship" theory of liability applies, a claimant may arrest the vessel which is subject to the claimant's maritime lien and any "associated" vessel, which is any vessel owned or controlled by the same owner. In countries with "sister ship" liability laws, claims might be asserted against us or any of our vessels for liabilities of other vessels that we own. Any of those events could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to pay dividends.

Governments could requisition our vessels during a period of war or emergency resulting in a loss of earnings.

A government of a vessel's registry could requisition for title or hire or seize one or more of our vessels. Requisition for title occurs when a government takes control of a vessel and becomes the owner. Requisition for hire occurs when a government takes control of a vessel and effectively becomes the charterer at dictated charter rates. Generally, requisitions occur during a period of war or emergency. Although we would be entitled to compensation in the event of a requisition of one or more of our vessels, the amount and timing of payment would be uncertain. Although none of our vessels have been requisitioned by a government for title or hire, a government requisition of one or more of our vessels could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to pay dividends.

Technological developments which affect global trade flows and supply chains may affect the demand for our vessels.

By reducing the cost of labor through automation and digitization and empowering consumers to demand goods whenever and wherever they choose, technology is changing the business models and production of goods in many industries. Consequently, supply chains are being pulled closer to the end-customer and are required to be more responsive to changing demand patterns. As a result, fewer intermediate and raw inputs are traded, which could lead to a decrease in shipping activity. If automation and digitization become more commercially viable and/or production becomes more regional or local, total containerized trade volumes would decrease, which would adversely affect demand for maritime fuels and hence demand for our services. Supply chain disruptions caused by geopolitical events, rising tariff barriers and environmental concerns may also accelerate these trends.

If we purchase secondhand vessels, we may not receive warranties from the builder and operating cost may increase as a result of aging of the fleet.

Following a rigorous physical inspection of secondhand vessels prior to purchase, we do not have the same knowledge about their condition and cost of any required (or anticipated) repairs that we would have had if these vessels had been built for and operated exclusively by us. Accordingly, we may not discover defects or other problems with such vessels prior to purchase. Any such hidden defects or problems, when detected may be expensive to repair, and may require us to put a vessel into drydock, which would reduce our fleet utilization and increase our operating costs, and if not detected, may result in accidents or other incidents for which we may become liable to third parties. Also, when purchasing previously owned vessels, we do not receive the benefit of any builder warranties if the vessels we buy are older than one year. Cargo insurance rates increase with the age of a vessel, as older vessels may be less desirable to charterers and may be restricted in the type of activities in which the vessels can engage.

In general, the costs to maintain a vessel in good operating condition increase with the age of the vessel. Older vessels are typically less fuel efficient than more recently constructed vessels due to improvements in engine technology. Governmental regulations, safety and other equipment standards related to the age of vessels may require expenditures for alterations or the addition of new equipment to some of our vessels and may restrict the type of activities in which these vessels may engage. Future repairs and maintenance costs for secondhand vessels are difficult to predict and may be substantially higher than those for equivalent vessels of which we have had direct experience. These additional costs could decrease our cash flow and reduce our liquidity. We cannot assure you that, as our vessels age, market conditions will justify those expenditures or enable us to operate our vessels profitably during the remainder of their useful lives. As a result, regulations and standards could have a material adverse effect on our business, financial condition, results of operations, cash flows and ability to pay dividends.

Our insurance may not be adequate to cover our losses that may result from our operations due to the inherent operational risks of the tanker industry.

We carry insurance to protect us against most of the accident-related risks involved in the conduct of our business, including marine hull and machinery insurance, protection and indemnity insurance (which includes pollution risks), crew insurance and war risk insurance. However, we may not be adequately insured to cover losses from our operational risks, which could have a material adverse effect on us. Even if our insurance coverage is adequate to cover our losses, we may not be able to timely obtain a replacement vessel in the event of a loss. Additionally, our insurers may refuse to pay particular claims, and our insurance may be voidable by the insurers if we take, or fail to take, certain action, such as failing to maintain certification of our vessels with applicable maritime regulatory organizations. We may also be subject to calls, or premiums, in amounts based not only on our own claim records but also the claim records of all other members of the protection and indemnity associations through which we receive indemnity insurance coverage for tort liability. Our insurance policies also contain deductibles, limitations and exclusions which, although we believe are standard in the shipping industry, may nevertheless increase our costs. In addition, insurers typically charge additional premiums if vessels transit certain “excluded areas,” which may be subject to higher risk of piracy, war or terrorism. We cannot be certain that our insurers will continue to provide such cover, or that we will be able to recover these increased costs from our charterers. Any significant uninsured or under-insured loss or liability could have a material adverse effect on our business, results of operations, cash flows and financial condition and our ability to pay dividends. In addition, we may not be able to obtain adequate insurance coverage at reasonable rates in the future during adverse insurance market. Any loss of a vessel or extended vessel off-hire, due to an accident or otherwise, could have a material adverse effect on our business, results of operations and financial condition and our ability to pay dividends.

In addition, we carry loss-of-hire insurance for those vessels on time-charter contracts, financed through Ocean Yield, which covers the loss of revenue during extended vessel off-hire periods, such as those that might occur during an unscheduled drydocking due to damage to the vessel from a major accident. Accordingly, any vessel that is off hire for an extended period of time, due to an accident or otherwise, could have a material adverse effect on our business, results of operations and financial condition.

An increase in operating costs would decrease earnings and dividends per share.

Under the charters of all of our operating vessels, we are responsible for vessel operating expenses. Our vessel operating expenses include the costs of crew, lube oil, provisions, deck and engine stores, insurance and maintenance and repairs, which depend on a variety of factors, many of which are beyond our control. If our vessels suffer damage, they may need to be repaired at a drydocking facility. The costs of drydock repairs are unpredictable and can be substantial. Increases in any of these expenses would decrease earnings and dividends per share.

We may be unsuccessful in competing in the highly competitive international Suezmax tanker market.

The operation of Suezmax tankers and transportation of crude and petroleum products is extremely competitive, and our industry is capital intensive and highly fragmented. Demand for transportation of oil and oil products has declined in the past, and could continue to decline, which could lead to increased competition. Competition arises primarily from other tanker owners, including major oil companies as well as independent tanker companies. Competition for the transportation of oil and oil products can be intense and depends on price, location, size, age, condition and the acceptability of the tanker and its operators to the charterers. Competitors with greater resources could enter and operate larger tanker fleets through consolidations or acquisitions and may be able to offer more competitive prices and fleets. This competition may cause our market share to decrease in the future and we may not find profitable employment for our vessels, which could adversely affect our financial condition and our ability to expand our business.

We are subject to laws and regulations which can adversely affect our business, results of operations, cash flows and financial condition, and our ability to pay dividends.

Our operations are subject to numerous laws and regulations in the form of international conventions and treaties, national, state and local laws and national and international regulations in force in the jurisdictions in which our vessels operate or are registered, which can significantly affect the ownership and operation of our vessels. These requirements include, but are not limited to, the United States Oil Pollution Act of 1990, or OPA, the Comprehensive Environmental Response, Compensation, and Liability Act, generally referred to as CERCLA, the U.S. Clean Water Act, or CWA, the U.S. Clean Air Act, or CAA, the U.S. Outer Continental Shelf Lands Act, European Union Regulations, such as the FuelEU Maritime regulation, the IMO, International Convention on Civil Liability for Oil Pollution Damage of 1969, as from time to time amended and generally referred to as CLC, the IMO International Convention for the Prevention of Pollution from Ships of 1973, as from time to time amended and generally referred to as MARPOL, including the designation of emission control areas, or ECAs thereunder), the IMO International Convention for the Safety of Life at Sea of 1974, as from time to time amended and generally referred to as SOLAS, the IMO International Convention on Load Lines of 1966 (as from time to time amended), the International Convention on Civil Liability for Bunker Oil Pollution Damage, generally referred to as the Bunker Convention, the IMO's International Management Code for the Safe Operation of Ships and for Pollution Prevention, generally referred to as the ISM Code, the International Convention for the Control and Management of Ships' Ballast Water and Sediments Discharge, generally referred to as the BWM Convention, International Ship and Port Facility Security Code, or ISPS, and the U.S. Maritime Transportation Security Act of 2002, generally referred to as the MTSA. Compliance with such laws, regulations and standards, where applicable, may require installation of costly equipment or operational changes and may affect the resale value or useful lives of our vessels. We may also incur additional costs in order to comply with other existing and future regulatory obligations, including, but not limited to, costs relating to air emissions, including greenhouse gases, the management of ballast waters, maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of our ability to address pollution incidents. These costs could have a material adverse effect on our business, results of operations, cash flows and financial condition and our ability to pay dividends. A failure to comply with applicable laws and regulations may result in administrative and civil penalties, criminal sanctions or the suspension or termination of our operations. Environmental laws often impose strict liability for remediation of spills and releases of oil and hazardous substances, which could subject us to liability without regard to whether we were negligent or at fault. Under OPA, for example, owners, operators and bareboat charterers are jointly and severally strictly liable for the discharge of oil within the 200-nautical mile exclusive economic zone around the U.S. (unless the spill results solely from the act or omission of a third party, an act of God or an act of war). An oil spill could result in significant liability, including fines, penalties, criminal liability and remediation costs for natural resource damages under other international and U.S. federal, state and local laws, as well as third-party damages, including punitive damages, and could harm our reputation with current or potential charterers of our tankers. We are required to satisfy insurance and financial responsibility requirements for potential oil (including marine fuel) spills and other pollution incidents. Although we have arranged insurance to cover certain environmental risks, and risk of environmental damages and impacts there can be no assurance that such insurance will be sufficient to cover all such risks or that any claims will not have a material adverse effect on our business, results of operations, cash flows and financial condition, and our ability to pay dividends.

Additional legislation, regulations, or other requirements applicable to the operation of our vessels that may be implemented in the future could adversely affect our business.

It should be noted that the U.S. is currently experiencing changes in its environmental policy, the results of which have yet to be fully determined. For example, in March 2017, the Trump administration issued an executive order to review and possibly eliminate the EPA's plan to cut greenhouse gas emissions. On August 13, 2020, the EPA released rules rolling back standards to control methane and volatile organic compound emissions from new oil and gas facilities. In early 2021, the Biden administration directed the EPA to publish a proposed rule suspending, revising, or rescinding certain of these rules, and the resulting final rule was issued in December 2023. However, the current administration is delaying these requirements limiting methane emissions and is considering repealing the measure altogether. Therefore, it is unclear how such environmental regulations could affect our operations. The EPA or individual states could enact these or other environmental regulations that could affect our operations.

These numerous and sometimes conflicting laws and regulations include, among others, data privacy requirements (in particular the European General Data Protection Regulation, enforceable as from May 25, 2018 and the EU-US Privacy Shield Framework, as adopted by the European Commission on July 12, 2016), labor relations laws, tax laws, anti-competition regulations, import and trade restrictions, export requirements, U.S. laws such as the FCPA and other U.S. federal laws and regulations established by the office of Foreign Asset Control, local laws such as the UK Bribery Act 2010 or other local laws which prohibit corrupt payments to governmental officials or certain payments or remunerations to customers. Given the high level of complexity of these laws, there is a risk that we, our agent or other intermediaries may inadvertently breach certain provisions thereunder. Violations of these laws and regulations could result in fines, criminal sanctions against us, our officers or our employees, requirements to obtain export licenses, cessation of business activities in sanctioned countries, implementation of compliance programs, and prohibitions on the conduct of our business. Violations of laws and regulations also could result in prohibitions on our ability to operate in one or more countries and could materially damage our reputation, our ability to attract and retain employees, or our business, results of operations and financial condition. Furthermore, detecting, investigating and resolving actual or alleged violations is expensive and can consume significant time and attention of our senior management. Though we have implemented monitoring procedures and policies, guidelines, contractual terms and audits, these measures may not prevent or detect failures by our agents or intermediaries regarding compliance.

In addition, many environmental requirements are designed to reduce the risk of pollution, such as from oil spills, and our compliance with these requirements could be costly. To comply with these and other regulations, including: (i) the sulfur emission requirements of Annex VI of MARPOL, which instituted a global 0.5% (lowered from 3.5% as of January 1, 2020) sulfur cap on marine fuel consumed by a vessel, unless the vessel is equipped with a scrubber, (ii) the BWM Convention of the IMO, which requires vessels to install expensive ballast water treatment systems, we may be required to incur additional costs to meet new maintenance and inspection requirements, develop contingency plans for potential spills, and obtain insurance coverage, and (iii) the FuelEU Maritime regulation, which starting from January 2025, sets requirements on the annual average greenhouse gas intensity of energy used by ships trading with the EU or European Economic Area. The increased demand for low sulfur fuels may increase the costs of fuel for our vessels, none of which have scrubbers. Additional conventions, laws and regulations may be adopted that could limit our ability to do business or increase the cost of doing business and which may materially and adversely affect our operations.

Regulations relating to ballast water discharge may adversely affect our revenues and profitability.

The IMO has imposed updated guidelines for ballast water management systems specifying the maximum amount of viable organisms allowed to be discharged from a vessel's ballast water. The standards have been in force since 2019, and for most vessels, compliance with the D-2 standard involved installing on-board systems to treat ballast water and eliminate unwanted organisms. Ships constructed on or after September 8, 2017, are to comply with the D-2 standards on or after September 8, 2017. All our vessels have installed ballast water management systems and as such we are compliant with these guidelines.

Furthermore, United States regulations are currently changing. Although the 2013 Vessel General Permit, or VGP, program and U.S. National Invasive Species Act, or NISA, are currently in effect to regulate ballast discharge, exchange and installation, the Vessel Incidental Discharge Act, or VIDA, which was signed into law on December 4, 2018, requires that the EPA develop national standards of performance for approximately 30 discharges, similar to those found in the VGP within two years. On October 26, 2020, the EPA published a Notice of Proposed Rulemaking for Vessel Incidental Discharge National Standards of Performance under VIDA. In October 2024, the EPA finalized its rule on Vessel Incidental Discharge Standards of Performance, which means that the USCG must now develop corresponding regulations regarding ballast water within two years of that date. The new regulations will require the installation of new equipment, which may cause us to incur substantial costs.

Climate change and greenhouse gas restrictions may adversely impact our operations and markets.

Due to concern over the risk of climate change, a number of countries and the IMO have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emissions. These regulatory measures may include, among others, adoption of cap-and-trade regimes, carbon taxes, increased efficiency standards and incentives or mandates for renewable energy. In April 2018, nations at the MEPC 72 adopted an initial strategy to reduce greenhouse gas emissions from ships, which identifies levels of ambition to reducing greenhouse gas emissions. In July 2023, MEPC 80 adopted the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, which builds upon the initial strategy's levels of ambition. The European Union on the other hand has indicated that it intends to accelerate its plans to include shipping into the emissions trading scheme. For more information on MEPC's GHG strategy, please see Item 4: Environmental Section, Greenhouse Gas Regulations.

The European Commission has proposed adding shipping to the EU Emission Trading Scheme, or EU ETS, as of 2023 with a phase-in period. It is expected that shipowners will need to purchase and surrender a number of emission allowances that represent their recorded carbon emission exposure for a specific reporting period and shipowners will need to purchase and surrender a number of emission allowances that represent their Monitoring, Reporting and Verification, or MRV, -recorded carbon emission exposure for a specific reporting period. Compliance with the Maritime EU ETS will result in additional compliance and administration costs to properly incorporate the provisions of the Directive into our business routines. Additional EU regulations which are part of the EU's Fit-for-55, could also affect our financial position in terms of compliance and administration costs when they take effect. For more information on the EU ETS, please see Item 4: Environmental Section, European Union Regulations.

Since January 1, 2020, ships have to either remove sulfur from emissions or buy fuel with low sulfur content, which may lead to increased costs and supplementary investments for ship owners. The interpretation of "fuel oil used on board" includes use in main engine, auxiliary engines and boilers. Shipowners may comply with this regulation by (i) using 0.5% sulfur fuels on board, which are available around the world but at a higher cost; (ii) installing scrubbers for cleaning of the exhaust gas; or (iii) by retrofitting vessels to be powered by liquefied natural gas or other alternative energy sources, which may not be a viable option due to the lack of supply network and high costs involved in this process. Costs of compliance with these regulatory changes may be significant and may have a material adverse effect on our future performance, results of operations, cash flows and financial position.

In addition, although the emissions of greenhouse gases from international shipping currently are not subject to the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which required adopting countries to implement national programs to reduce emissions of certain gases, or the Paris Agreement (discussed further below), a new treaty may be adopted in the future that includes restrictions on shipping emissions. Compliance with changes in laws, regulations and obligations relating to climate change affects the propulsion options in subsequent vessel designs and could increase our costs related to acquiring new vessels, operating and maintaining our existing vessels and require us to install new emission controls, acquire allowances or pay taxes related to our greenhouse gas emissions or administer and manage a greenhouse gas emissions program. Revenue generation and strategic growth opportunities may also be adversely affected.

In 2022, MEPC amended Annex VI to impose new regulations to reduce greenhouse gas emissions from ships. These amendments introduce requirements to assess and measure the energy efficiency of all ships and set the required attainment values, with the goal of reducing the carbon intensity of international shipping. To achieve a 40% reduction in carbon emissions by 2023 compared to 2008, shipping companies are required to include: (i) a technical requirement to reduce carbon intensity based on a new Energy Efficiency Existing Ship Index, or EEXI, and (ii) operational carbon intensity reduction requirements, based on a new operational carbon intensity indicator, or CII. For more information on requirements around EEXI and CII, please see Item 4: Environmental Section, Air Emissions.

MEPC 76 also adopted amendments to the International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001, or the AFS Convention, which have been entered into force on January 1, 2023. From this date, all ships shall not apply or re-apply anti-fouling systems containing cybutryne on or after January 1, 2023; all ships bearing an anti-fouling system that contains cybutryne in the external coating layer of their hulls or external parts or surfaced on January 1, 2023 shall either: remove the anti-fouling system or apply a coating that forms a barrier to this substance leaching from the underlying non-compliance anti-fouling system.

On November 13, 2021, the Glasgow Climate Pact was announced following discussions at the 2021 United Nations Climate Change Conference, or COP26. The Glasgow Climate Pact calls for signatory states to voluntarily phase out fossil fuels subsidies. A shift away from these products could potentially affect the demand for our vessels and negatively impact our future business, operating results, cash flows and financial position. COP26 also produced the Clydebank Declaration, in which 22 signatory states (including the United States and United Kingdom) announced their intention to voluntarily support the establishment of zero-emission shipping routes. Governmental and investor pressure to voluntarily participate in these green shipping routes could cause us to incur significant additional expenses to “green” our vessels.

In March 2022, the SEC announced proposed rules with respect to climate-related disclosures, including with respect to greenhouse gas emissions and certain climate-related financial statement metrics, which would apply to foreign private issuers listed on US national securities exchanges, such as us. Compliance with such reporting requirements or any similar requirements may impose substantial obligations and costs on us. The SEC adopted final rules regarding such disclosures on March 6, 2024, which are currently subject to a voluntary stay by the SEC until the resolution of legal challenges. If we are unable to accurately measure and disclose required climate-related data in a timely manner, we could be subject to penalties in certain jurisdictions.

Adverse effects upon the oil and gas industry relating to climate change, including growing public concern about the environmental impact of climate change, may also adversely affect demand for our services. For example, increased regulation of greenhouse gases or other concerns relating to climate change may reduce the demand for oil and gas in the future or create greater incentives for use of alternative energy sources. In addition to the peak oil risk from a demand perspective, the physical effects of climate change, including changes in weather patterns, extreme weather events, rising sea levels, scarcity of water resources, may negatively impact our operations. Any long-term material adverse effect on the oil and gas industry could have a significant financial and operational adverse impact on our business that we cannot predict with certainty at this time.

If we fail to comply with international safety regulations, we may be subject to increased liability, which may adversely affect our insurance coverage and may result in a denial of access to, or detention in, certain ports.

The SOLAS Convention was amended to address the safe manning of vessels and emergency training drills. The Convention of Limitation of Liability for Maritime Claims, or the LLMC, sets limitations of liability for a loss of life or personal injury claim or a property claim against ship owners. We believe that all of our vessels are in substantial compliance with SOLAS and LLMC standards.

Under Chapter IX of the SOLAS Convention, or the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention or the ISM Code, our operations are also subject to environmental standards and requirements.

The ISM Code requires that vessel operators obtain a safety management certificate for each vessel they operate. This certificate evidences compliance by a vessel’s management with the ISM Code requirements for a safety management system. No vessel can obtain a safety management certificate unless its manager has been awarded a document of compliance, issued by each flag state, under the ISM Code. We have obtained applicable documents of compliance for our offices and safety management certificates for all of our vessels for which the certificates are required by the IMO. The documents of compliance and safety management certificates are renewed as required.

Regulation II-1/3-10 of the SOLAS Convention governs ship construction and stipulates that ships over 150 meters in length must have adequate strength, integrity and stability to minimize risk of loss or pollution. Goal-based standards amendments in SOLAS regulation II-1/3-10 entered into force in 2012, with July 1, 2016, set for application to new oil tankers and bulk carriers. The SOLAS Convention regulation II-1/3-10 on goal-based ship construction standards for bulk carriers and oil tankers, which entered into force on January 1, 2012, requires that all oil tankers and bulk carriers of 150 meters in length and above, for which the building contract is placed on or after July 1, 2016, satisfy applicable structural requirements conforming to the functional requirements of the International Goal-based Ship Construction Standards for Bulk Carriers and Oil Tankers (GBS Standards).

Amendments to the SOLAS Convention Chapter VII apply to vessels transporting dangerous goods and require those vessels be in compliance with the International Maritime Dangerous Goods Code, or IMDG Code. Effective January 1, 2018, the IMDG Code includes (1) the provisions for radioactive material, reflecting the latest provisions from the International Atomic Energy Agency, (2) marking, packing and classification requirements for dangerous goods, and (3) mandatory training requirements.

The IMO has also adopted the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, or STCW. As of February 2017, all seafarers are required to meet the STCW standards and be in possession of a valid STCW certificate. Flag states that have ratified SOLAS and STCW generally employ the classification societies, which have incorporated SOLAS and STCW requirements into their class rules, to undertake surveys to confirm compliance.

Furthermore, cybersecurity guidance and regulations for the maritime industry have been developed in an attempt to combat cybersecurity threats. For example, cyber-risk management systems must be incorporated by ship-owners and managers by 2021. This might cause companies to create additional procedures for monitoring cybersecurity, which could require additional expenses and/or capital expenditures. The impact of such regulations is hard to predict at this time.

Developments in safety and environmental requirements relating to the recycling of vessels may result in escalated and unexpected costs.

The 2009 Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, or the Hong Kong Convention, which entered into force in June 2025, aims to ensure ships, being recycled once they reach the end of their operational lives, do not pose any unnecessary risks to the environment, human health and safety. As such, each ship sent for recycling is required to carry an inventory of its hazardous materials. The hazardous materials, whose use or installation are prohibited in certain circumstances, are listed in an appendix to the Hong Kong Convention. Ships are required to have surveys to verify their inventory of hazardous materials initially, throughout their lives and prior to the ship being recycled. MEPC 81 approved reporting formats and future development of a Global Integrated Shipping Information System (GISIS) model, to provide electronic reporting facilities, to assist with the implementation of the Hong Kong Convention. MEPC 82 also approved a provisional guidance on the interplay between the Hong Kong Convention and the Basel Convention (which is aimed to protect human protect human health and the environment against the adverse effects of hazardous wastes, including among others, waste from ship dismantling) with respect to the transboundary movement of ships intended for recycling. In April 2025, MEPC 83 adopted amendments to the 2023 Guidelines for the development of the Inventory of Hazardous Materials, clarifying the relevant threshold in respect to cybutryne (chemical compound) when samples are taken directly from the hull or from wet paint containers.

On November 20, 2013, the European Parliament and the Council of the EU adopted the Ship Recycling Regulation, which retains the requirements of the Hong Kong Convention and requires that certain commercial seagoing vessels flying the flag of an EU Member State may be recycled only in facilities included on the European list of permitted ship recycling facilities.

These regulatory developments, when implemented, may lead to cost escalation by shipyards, repair yards and recycling yards. This may then result in a decrease in the residual scrap value of a vessel, and a vessel could potentially not cover the cost to comply with latest requirements, which may have an adverse effect on our future performance, results of operations, cash flows and financial position.

Risks Related to our Indebtedness

Servicing our debt limits funds available for other purposes and if we cannot service our debt, we may lose our vessels.

Borrowing under our credit facilities and financing arrangements requires us to dedicate a part of our cash flow from operations to paying interest and installments on our indebtedness. These payments limit funds available for working capital, capital expenditures and other purposes, including making distributions to shareholders and further equity or debt financing in the future. Amounts borrowed under the credit facilities bear interest at variable rates. Increases in prevailing rates could increase the amounts that we would have to pay to our lenders, even though the outstanding principal amount remains the same, and our net income and cash flows would decrease. We expect our earnings and cash flow to vary from year to year due to the cyclical nature of the tanker industry. In addition, our current policy is not to accumulate cash, but rather to distribute our available cash to shareholders. If we do not generate or reserve enough cash flow from operations to satisfy our debt obligations, we may have to undertake alternative financing plans, such as:

- seeking to raise additional capital;
- refinancing or restructuring our debt;
- selling vessels or other assets; or
- reducing or delaying capital investments.

However, these alternative financing plans, if necessary, may not be sufficient to allow us to meet our debt obligations. If we are unable to meet our debt obligations or if some other default occurs under our credit facilities, the lenders could elect to declare that debt, together with accrued interest and fees, to be immediately due and payable and proceed against the collateral securing that debt, which constitutes our entire fleet. As of December 31, 2025, we had $424.1 million of outstanding indebtedness.

Our borrowing facilities contain restrictive covenants, which could negatively affect our growth, cause our financial performance to suffer and limit our ability to pay dividends.

Our outstanding debt requires us or our subsidiaries to maintain financial covenants. Because some of these ratios are dependent on the market value of vessels, should charter rates or vessel values materially decline in the future, we may seek to obtain waivers or amendments from our lenders with respect to such financial ratios and covenants, or we may be required to take action to reduce our debt or to act in a manner contrary to our business objectives to meet any such financial ratios and satisfy any such financial covenants. Our lenders' interests may be different from ours, and we cannot guarantee that we will be able to obtain their permission when needed. This may prevent us from taking actions that we believe are in our or our shareholders' best interest. Events beyond our control, including changes in the economic and business conditions in the shipping markets in which we operate, interest rate developments, changes in the funding costs of our banks, changes in vessel earnings and asset valuations and outbreaks of diseases, may affect our ability to comply with these covenants. We cannot assure you that we will meet these ratios or satisfy our financial or other covenants or that our lenders will waive any failure to do so.

These financial and other covenants may adversely affect our ability to finance future operations or limit our ability to pursue certain business opportunities or take certain corporate actions. The covenants may also restrict our flexibility in planning for changes in our business and the industry and make us more vulnerable to economic downturns and adverse developments. A breach of any of the covenants in, or our inability to maintain the required financial ratios under the borrowing facilities would prevent us from borrowing additional money under our credit facilities or lease financing arrangements and could result in a default under our credit facilities and would prevent us from paying dividends to our shareholders and could result in a default under our borrowing facilities. If a default occurs under our borrowing facilities, the lenders could elect to declare the issued and outstanding debt, together with accrued interest and other fees, to be immediately due and payable and foreclose on the collateral securing that debt, which could constitute all or substantially all of our assets. Moreover, in connection with any waivers or amendments to our credit facilities or lease financing arrangements that we may obtain, our lenders may impose additional operating and financial restrictions on us or modify the terms of our existing credit facilities or lease financing arrangements. These restrictions may further restrict our ability to, among other things, pay dividends, repurchase our common shares, make capital expenditures, or incur additional indebtedness.

Furthermore, our debt and lease financing agreements contain cross-default provisions that may be triggered if we default under the terms of any one of our financing agreements. In the event of default by us under one of our debt agreements, the lenders under our other debt or lease financing agreements could determine that we are in default under such other financing agreements. Such cross defaults could result in the acceleration of the maturity of such indebtedness under these agreements and the lenders thereunder may foreclose upon any collateral securing that indebtedness, including our vessels, even if we were to subsequently cure such default. In addition, our credit facilities and lease financing arrangements contain subjective acceleration clauses under which the debt could become due and payable in the event of a material adverse change in our business. In the event of such acceleration or foreclosure, we might not have sufficient funds or other assets to satisfy all of our obligations, which would have a material adverse effect on our business, results of operations and financial condition.

As of December 31, 2025, and as of the date of this annual report, we were in compliance with the financial covenants contained and other restrictions in our debt agreements.

Variable rate indebtedness could subject us to interest rate risk, which could cause our debt service obligations to increase significantly.

Our credit facilities use variable interest rates and expose us to interest rate risk. If interest rates rise further, our debt service obligations on the variable rate indebtedness would increase even if the amount borrowed remained the same, and our profitability and cash available for servicing our indebtedness would decrease.

We may not be able to finance our future capital commitments.

We cannot guarantee that we will be able to obtain financing at all or on terms acceptable to us. If adequate funds are not available, we may be required to reduce or delay expenditures for investments in new and existing projects, including our vessel construction contracts, which could hinder our growth and prevent us from realizing potential revenues from prior and planned investments, adversely affecting our cash flow and results of operations. which will have a negative impact on our cash flows and results of operations.

The current state of the global financial markets and current economic conditions may adversely impact our results of operation, financial condition, cash flows and ability to obtain financing or refinance our existing and future credit facilities on acceptable terms.

Major market disruptions and adverse changes in market conditions and regulatory climate in China, the United States, the European Union and worldwide may adversely affect our business or impair our ability to raise equity or borrow amounts under credit facilities or any future financial arrangements.

Continuing concerns over inflation, rising interest rates, energy costs, geopolitical issues, including acts of war and the availability and cost of credit have contributed to increased volatility and diminished expectations for the economy and the markets going forward. These factors, combined with volatile oil prices, declining business and consumer confidence, have precipitated fears of a possible economic recession. Domestic and international equity markets continue to experience heightened volatility and turmoil. The weakness in the global economy has caused, and may continue to cause, a decrease in worldwide demand for certain goods and, thus, shipping.

The occurrence or continued occurrence of any of the foregoing events could have a material adverse effect on our business, results of operations, cash flows, financial condition, value of our vessels and ability to pay dividends.

We cannot assure you that we will be able to refinance our indebtedness.

In the event that we are unable to service or repay our debt obligations out of our operating activities, we may need to refinance our indebtedness, and we cannot assure you that we will be able to do so on terms that are acceptable to us or at all. The actual or perceived tanker market rate environment and prospects and the market value of our fleet, among other things, may materially affect our ability to obtain new debt financing. If we are unable to refinance our indebtedness, we may choose to issue securities or sell certain of our assets in order to satisfy our debt obligations. If we are unable to meet our debt obligations, or if we otherwise default under our loan facilities or an alternative financing arrangement, our lenders could declare the debt, together with accrued interest and fees, to be immediately due and payable and foreclose on our fleet, which could result in the acceleration of other indebtedness that we may have at such time and the commencement of similar foreclosure proceedings by other lenders.

We are subject to certain risks with respect to our counterparties on contracts, and failure of such counterparties to meet their obligations could cause us to suffer losses or negatively impact our results of operations and cash flows.

We have entered into various contracts, including charter agreements with our customers, our borrowing facilities, and from time to time we may enter into newbuilding contracts. Such agreements subject us to counterparty risks. The ability of each of our counterparties to perform its obligations under a contract with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the maritime and offshore industries, the overall financial condition of the counterparty, charter rates received for specific types of vessels, work stoppages and other labor disturbances. For example, the combination of a reduction of cash flow resulting from declines in world trade, a reduction in borrowing bases under reserve-based credit facilities and the lack of availability of debt or equity financing may result in a significant reduction in the ability of our charterers to make charter payments to us. Charterers are sensitive to the commodity markets and may be impacted by market forces affecting commodities and/or uncertain industry conditions. In addition, in depressed market conditions, our charterers and customers may no longer need a vessel that is currently under charter or contract or may be able to obtain a comparable vessel at lower rates. As a result, charterers and customers may seek to renegotiate the terms of their existing charter parties or avoid their obligations under those contracts. Should a counterparty fail to honor its obligations under agreements with us, we could sustain significant losses which could have a material adverse effect on our business, financial condition, results of operations and cash flows. As a result, we could sustain significant losses which could have a material adverse effect on our business, financial condition, results of operations and cash flows, as well as our ability to pay dividends, if any, in the future, and comply with covenants in our borrowing facilities.

Risks Relating to Investing in Our Common Shares

Our share price may continue to be highly volatile, which could lead to a loss of all or part of a shareholder's investment.

The market price of our common shares has fluctuated widely since our common shares began trading in on the NYSE. Over the last few years, the stock market has experienced price and volume fluctuations, due to factors such as actual or anticipated fluctuations in our quarterly and annual results and those of other public companies in our industry, any reductions in the payment of our dividends or changes in our dividend policy, mergers and strategic alliances in the shipping and offshore industries, market conditions in the shipping and offshore industries, changes in government regulation, shortfalls in our operating results from levels forecast by securities analysts, perceived or actual inability by our chartering counterparts to fully perform under the charter parties, including third party announcements concerning us or our competitors and the general state of the securities market. The shipping industries have been highly unpredictable and volatile. The market for common shares in these industries may be equally volatile. This volatility has sometimes been unrelated to the operating performance of particular companies. During 2025, the price of our common shares experienced a high of $3.90 in November and a low of $2.21 in April. As of April 17, 2026, the price of our common shares was $6.03.

The market price of our common shares is affected by a variety of factors, including:

- Investor reaction to the execution of our business strategy, including mergers and acquisitions;
- Shareholder activism;
- Our continued compliance with the listing standards of NYSE;
- Regulatory or legal developments in the United States and other countries, especially changes in laws or regulations applicable to our industry, including those related to climate change;

- Variations or fluctuations in our financial results or those of companies that are perceived to be similar to us;
- Our ability or inability to raise additional capital and the terms on which we raise it;
- Declines in the market prices of stocks generally;
- Trading volume of our common shares;
- Shorting activity in relation to our share;
- Sales of our common shares by us or our stockholders;
- The loss of any of our key management personnel;
- General economic, industry and market conditions; and
- Other events or factors, including those resulting from such events, or the prospect of such events, including war, terrorism and other international conflicts, public health issues, adverse weather and climate conditions could disrupt our operations or result in political or economic instability.

These broad market and industry factors may seriously harm the market price of our common shares, regardless of our operating performance, and may be inconsistent with any improvements in actual or expected operating performance, financial condition or other indicators of value. Since the stock price of our common shares has fluctuated in the past, has been recently volatile and may be volatile in the future, investors in our common shares could incur substantial losses. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

There can be no guarantee that our stock price will remain at current prices. The market price of our common stock could decline due to sales of our shares in the market or the perception that such sales could occur. This could depress the market price of our common stock and make it more difficult for us to sell equity securities in the future at a time and price that we deem appropriate, or at all.

Additionally, recently, securities of certain companies have experienced significant and extreme volatility in stock price due short sellers of shares of common shares, known as a "short squeeze". These short squeezes have caused extreme volatility in those companies and in the market and have led to the price per share of those companies to trade at a significantly inflated rate that is disconnected from the underlying value of the company. Many investors who have purchased shares in those companies at an inflated rate face the risk of losing a significant portion of their original investment as the price per share has declined steadily as interest in those stocks have abated. While we have no reason to believe our shares would be the target of a short squeeze, there can be no assurance that we will not be in the future, and you may lose a significant portion or all of your investment if you purchase our shares at a rate that is significantly disconnected from our underlying value.

We are thus unable to predict when such instances of trading volatility will occur or how long such dynamics may last. Therefore, we cannot assure you that you will be able to sell any of our common shares you may have purchased at a price greater than or equal to its original purchase price, or that you will be able to sell our common shares at all.

We operate in a cyclical and volatile industry and cannot guarantee that we will continue to make cash distributions.

Our Board of Directors may, in its sole discretion, from time to time, declare and pay cash dividends in accordance with our organizational documents and applicable law including compliance with Bermuda law, and such distributions may be dependent, among other things, upon our having sufficient available distributable reserves. Our Board of Directors makes determinations regarding the payment of dividends in its sole discretion, and there is no guarantee that we will continue to pay dividends in the future. The timing and amount of any dividends declared will depend on, among other things, our earnings, financial condition and cash requirements and availability, our ability to obtain debt and equity financing on acceptable terms as contemplated by our growth strategy. We have made cash declarations quarterly since October 1997. It is possible that our revenues could be reduced as a result of decreases in charter rates or that we could incur other expenses or contingent liabilities that would reduce or eliminate the cash available for distribution as dividends. Further, our credit facilities limit our ability to distribute dividends. For more information, please see "Item 5. Operating and Financial Review and Prospectus—B. Liquidity and Capital Resources—Our Borrowing Activities." We may not continue to pay dividends at rates previously paid or at all. If we do not pay dividends, the market price for our common shares must appreciate for investors to realize a gain on their investment. This appreciation may not occur, and our common shares may in fact depreciate in value, in part because of any future decreases in or elimination of our dividend payments.

Ineffective internal controls could impact the Company's business and financial results.

Under Section 404 of Sarbanes-Oxley, we are required to include in each of our annual reports on Form 20-F a report containing our management's assessment of the effectiveness of our internal control over financial reporting. If, in such annual reports on Form 20-F, our management cannot provide a report as to the effectiveness of our internal control over financial reporting as required by Section 404, investors could lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our common stock. Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations. The cost of compliance with the foregoing requirement may have a material adverse effect on our future performance, results of operations, cash flows and financial condition. The Company's internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Company fails to maintain the adequacy of its internal controls, including any failure to implement required new or improved controls, or if the Company experiences difficulties in their implementation, the Company's business and financial results could be harmed and the Company could fail to meet its financial reporting obligations.

Increasing scrutiny and changing expectations from investors, lenders and other market participants with respect to our Environmental, Social and Governance, or ESG, policies may impose additional costs on us or expose us to additional risks.

Companies across all industries are facing increasing scrutiny relating to their ESG policies. Investor advocacy groups, certain institutional investors, investment funds, lenders and other market participants are increasingly focused on ESG practices, especially as they relate to the environment health and safety, diversity, labor conditions and human rights in recent years, and have placed increasing importance on the implications and social cost of their investments.

In March 2024, the SEC adopted final rules requiring certain climate-related disclosures by registrants. However, in April 2025, the SEC announced that it would stay the implementation of these rules and refrain from defending them in ongoing legal proceedings, introducing further uncertainty around the regulatory landscape for climate-related disclosures in the United States. While we are a foreign private issuer and may not be subject to all aspects of these rules, the evolving expectations of regulators, investors, and other stakeholders regarding transparency in climate-related risks and emissions data may increase our disclosure and compliance obligations over time. Additionally, voluntary climate disclosures or those made to comply with other jurisdictions' regulations (such as the EU's CSRD or California's climate rules) may still expose us to litigation or reputational risks. We continue to monitor regulatory developments closely, but future changes to climate-related disclosure obligations in the U.S. or elsewhere may result in increased costs, changes to our reporting systems, or increased scrutiny of our environmental performance.

The increased focus and activism related to ESG, and similar matters may hinder access to capital, as investors and lenders may decide to reallocate capital or to not commit capital as a result of their assessment of a company's ESG practices. Failure to adapt to or comply with evolving investor, lender or other industry shareholder expectations and standards, or the perception of not responding appropriately to the growing concern for ESG issues, regardless of whether there is a legal requirement to do so, may damage such a company's reputation or stock price, resulting in direct or indirect material adverse effects on the company's business and financial condition.

The increase in shareholder proposals submitted on environmental matters and, in particular, climate-related proposals in recent years indicates that we may face increasing pressures from investors, lenders and other market participants, who are increasingly focused on climate change, to prioritize sustainable energy practices, reduce our carbon footprint and promote sustainability. As a result, we may be required to implement more stringent ESG procedures or standards so that our existing and future investors and lenders remain invested in us and make further investments in us, especially given the highly focused and specific trade of crude oil transportation in which we are engaged. If we do not meet these standards, our business and/or our ability to access capital could be harmed.

We may face increasing pressures from investors, lenders, customers and other market participants, who are increasingly focused on climate change, to prioritize sustainable energy practices, reduce our carbon footprint and promote sustainability. As a result, we may be required to implement more stringent ESG procedures or standards so that our existing and future investors and lenders remain invested in us and make further investments in us. If we do not meet these standards, our business and/or our ability to access capital could be harmed.

Additionally, certain investors and lenders may exclude shipping companies, such as us, from their investing portfolios altogether due to environmental, social and governance factors. These limitations in both the debt and equity capital markets may affect our ability to grow as our plans for growth may include accessing the equity and debt capital markets. If those markets are unavailable, or if we are unable to access alternative means of financing on acceptable terms, or at all, we may be unable to implement our business strategy, which would have a material adverse effect on our financial condition and results of operations and impair our ability to service our indebtedness. Further, it is likely that we will incur additional costs and require additional resources to implement, monitor, report and comply with wide ranging ESG requirements. The occurrence of any of the foregoing could have a material adverse effect on our business and financial condition.

Moreover, from time to time, in alignment with our sustainability priorities, we aim at establishing and publicly announce goals and commitments in respect of certain ESG items, such as shipping decarbonization. While we may create and publish voluntary disclosures regarding ESG matters from time to time, many of the statements in those voluntary disclosures are based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established standardized approach to identifying, measuring and reporting on many ESG matters. If we fail to achieve or improperly report on our progress toward achieving our environmental goals and commitments, the resulting negative publicity could adversely affect our reputation and/or our access to capital.

In the future there may be additional sustainability reporting requirements that the Company becomes subject to that may require us to incur additional expenditures in the future. When effective, we will focus on monitoring, managing and securing compliance with any new directives.

Finally, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and vote decisions. Unfavorable ESG ratings and recent activism directed at shifting funding away from companies with fossil fuel-related assets could lead to increased negative investor sentiment toward us and our industry and to the diversion of investment to other, non-fossil fuel markets, which could have a negative impact on our access to and costs of capital.

We have antitakeover protections which could prevent a change of control.

We have antitakeover protections which could prevent a third party to acquire us without the consent of our Board of Directors. On June 16, 2017, our Board adopted a shareholders' rights agreement. This shareholders' rights plan was designed to enable us to protect shareholder interests in the event that an unsolicited attempt is made for a business combination with, or a takeover of, the Company. Our shareholders' rights plan is not intended to deter offers that our Board of Directors determines are in the best interests of our shareholders. These antitakeover provisions, including provisions of our shareholders' rights agreement, could make it more difficult for a third party to acquire us, even if the third party's offer may be considered beneficial by many shareholders. As a result, shareholders may be limited in their ability to obtain a premium for their shares.

If our vessels call on ports located in countries or territories that are subject to sanctions or embargoes imposed by the U.S. government, the European Union, the United Nations or other governmental authorities, or engage in other such transactions or dealings that would be violative of applicable sanctions, it could result in monetary fines or other penalties, and may adversely affect our reputation and the market and trading price of our common stock.

Although we intend to maintain compliance with all applicable sanctions and embargo laws, and we endeavour to take precautions reasonably designed to mitigate such risks, it is possible that in the future our vessels may call on ports located in sanctioned countries or territories, or engage in other such transactions or dealings that would be violative of applicable sanctions, on charterers' instructions and/or without consent. Our contracts with our charterers may prohibit them from causing our vessels to call on ports located in sanctioned countries or territories or carrying cargo for entities that are the subject of sanctions. Although our charterers may, in certain cases, control the operation of our vessels, we have monitoring processes in place reasonably designed to ensure our compliance with applicable economic sanctions and embargo laws. Nevertheless, it remains possible that our charterers may cause our vessels to trade in violation of sanctions provisions without our consent. If such activities result in a violation of applicable sanctions or embargo laws, we could be subject to monetary fines, penalties, or other sanctions, and our reputation and the price at which our common stock trades might be adversely affected.

Applicable sanctions and embargo laws and regulations vary in their application, and by jurisdiction, as they do not all apply to the same covered persons or proscribe the same activities, and such sanctions and embargo laws and regulations may be amended or expanded over time, and the lists of persons and entities designed under these laws and regulations are amended frequently, as is the case with the war in Ukraine. Moreover, many sanctions regimes, including the United States, provide that entities owned by the persons or entities designated in such lists are also subject to sanctions. The U.S., U.K., and EU have enacted new sanctions programs in recent years. Additional countries or territories, as well as additional persons or entities within or affiliated with those countries or territories, have, and in the future will, become the target of sanctions. These require us to be diligent in ensuring our compliance with sanctions laws. Further, the U.S. has increased its focus on sanctions enforcement with respect to the shipping sector. Accordingly, current or future counterparties of ours, including charterers, may be affiliated with persons or entities that are or may be in the future the subject of sanctions or embargoes imposed by the U.S., U.K., the EU, and/or other international bodies. If we determine that such sanctions require us to terminate existing or future contracts to which we, or our subsidiaries, are party, or if we are found to be in violation of such applicable sanctions or embargoes, we could be subject to monetary fines, penalties, or other sanctions, as well as suffer reputational harm, and our operations and/or the price at which our common stock trades might be adversely affected.

As a result of Russia's actions in Ukraine, the U.S., EU and United Kingdom, together with numerous other countries, have imposed significant sanctions on persons and entities associated with Russia and Belarus, as well as comprehensive sanctions on certain areas within the Donbas region of Ukraine, and such sanctions apply to entities owned and/or controlled by such designated persons or entities. These sanctions adversely affect our ability to operate in the region and also restrict parties whose cargo we may carry. Sanctions against Russia have also placed significant prohibitions on the maritime transportation of seaborne Russian oil, the importation of certain Russian energy products and other goods, and new investments in the Russian Federation. These sanctions further limit the scope of permissible operations and cargo we may carry.

Beginning in February of 2022, the United States, the United Kingdom, and the European Union, among other countries, announced various economic sanctions against Russia in connection with the aforementioned conflicts in the Ukraine region, which may adversely impact our business, given Russia's role as a major global exporter of crude oil and natural gas. The ongoing conflict could result in the imposition of further economic sanctions or new categories of export restrictions against individuals or entities in or connected to Russia. While in general much uncertainty remains regarding the global impact of the continuation of the conflict in Ukraine, and any potential resolution thereof, it is possible that such tensions could adversely affect our business, financial condition, operations results, and cash flows.

The United States has issued several Executive Orders that prohibit certain transactions related to Russia, including prohibitions on importation of certain Russian energy products into the United States (including crude oil, petroleum, petroleum fuels, oils, liquefied natural gas and coal), and all new investments in Russia by U.S. persons, among other prohibitions and export controls, and has issued numerous determinations authorizing the imposition of sanctions on persons wo operate or have operated in the energy, metals and mining, and marine sectors of the Russian Federation economy, among others.

Furthermore, the United States, in conjunction with the G7, have implemented a Russian petroleum "price cap policy" which prohibits a variety of specified services related to the maritime transport of Russian Federation origin crude oil and petroleum products, including trading/commodities brokering, financing, shipping, insurance (including reinsurance and protection and indemnity), flagging, and customs brokering. An exception exists to permit such services when the price of the seaborne Russian oil does not exceed the relevant price cap; but implementation of this price exception relies on a recordkeeping and attestation process that requires each party in the supply chain of seaborne Russian oil to demonstrate or confirm that oil has been purchased at or below the price cap. Further, effective as of February 27, 2025, the United States has also prohibited the provision of petroleum services by U.S. persons to persons located in Russia. An exception exists for the provision of petroleum services in certain specified circumstances, including for the provision of services for products purchased at or below the aforementioned price caps. As of September 2025, the EU, UK and Canada also agreed to lower their price cap on Russian crude oil from $60 per barrel to $47.60 per barrel. Violations of the price cap policy or the risk that information, documentation, or attestations provided by parties in the supply chain are later determined to be false may pose additional risks adversely affecting our business. While much uncertainty remains, the potential that the EU, in conjunction with the G7, might replace the price cap policy in favor of a full maritime services ban for Russian oil exports may also pose further risks that could adversely affect our business. At the same time, it is unknown whether the United States, and/or the European Union and United Kingdom, will ease, retain, expand, or otherwise further modify the foregoing Russia sanctions due to the impact of the conflict in Iran on global energy markets.

Our business could also be adversely impacted by trade tariffs, trade embargoes or other economic sanctions that limit trading activities between countries. Governments may also turn to trade barriers to protect their domestic industries against foreign imports, thereby depressing shipping demand. Protectionist developments, or the perception that they may occur, may have a material adverse effect on global economic conditions, and may significantly reduce global trade. Moreover, increasing trade protectionism may cause an increase in (a) the cost of goods exported from regions globally, (b) the length of time required to transport goods and (c) the risks associated with exporting goods. Such increases may significantly affect the quantity of goods to be shipped, shipping time schedules, voyage costs and other associated costs, which could have an adverse impact on our charterers' business, operating results and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their charters with us. This could have a material adverse effect on our business, results of operations or financial condition.

In particular, leaders in the United States recently implemented more protective trade measures. There is significant uncertainty about the future relationship between the United States and China and other exporting countries, such as Canada and Mexico, and the European Union, among others, including with respect to trade policies, treaties, government regulations, and tariffs.For example, following the U.S. Supreme Court's ruling on February 20, 2026 in Learning Resources, Inc. v. Trump that the International Emergency Economic Powers Act does not authorize the President to impose tariffs, the President imposed a temporary import duty of 10 percent, subject to limited exceptions, pursuant to Section 122 of the Trade Act of 1974 and effective as of February 24, 2026, which remains subject to legal challenge. In addition, on March 11 and March 12, 2026 the United States Trade Representative commenced new Section 301 investigations concerning (i) structural excess capacity and production in certain manufacturing sectors against China, the European Union (EU), Singapore, Switzerland, Norway, Indonesia, Malaysia, Cambodia, Thailand, Korea, Vietnam, Taiwan, Bangladesh, Mexico, Japan, and India; and (ii) against 60 countries related to the failure to impose and effectively enforce a prohibition on the importation of goods produced with forced labor. These investigations also may result in the imposition of additional tariffs or other restrictions on commerce. It is unknown whether and to what extent such tariffs will be retained, expanded, or otherwise modified by the U.S., or the effect that any such actions or any actions taken by other countries in response will have on us or our industry, but such measures could have an adverse effect on our business, financial condition, and results of operations.

Although we believe that we have been in compliance with applicable sanctions and embargo laws and regulations in 2025, and intend to maintain such compliance, there can be no assurance that we will be in compliance in the future, particularly as the scope of certain laws may be unclear and may be subject to changing interpretations. Any such violation could result in fines, penalties or other sanctions that could severely impact our ability to access U.S. capital markets and conduct our business, and could result in some investors deciding, or being required, to divest their interest, or not to invest, in us. Additionally, some investors may decide not to invest in our company simply because we do business with companies that do business in sanctioned countries. The determination by these investors not to invest in, or to divest from, our common stock may adversely affect the price at which our common stock trades. While the terms of our charters require our charterers to operate our vessels in compliance with all applicable sanctions and embargo laws, the failure of our charterers to comply with such provisions may result in the violation of such applicable sanctions and embargo laws and regulations which could in turn negatively affect our reputation. Further, our reputation and the market for our securities may be adversely affected if, for example, we enter into charters with individuals or entities who, pursuant to contracts with third parties, provide services to or engage in operations associated with countries or territories that are the subject of certain U.S. sanctions or embargo laws. Investor perception of the value of our common stock may be adversely affected by the consequences of war, the effects of terrorism, civil unrest and governmental actions in the countries or territories that we operate in.

Because we are a foreign corporation, you may not have the same rights that a shareholder in a U.S. corporation may have.

We are incorporated in the Islands of Bermuda. Our memorandum of association, bye-laws and the Companies Act, 1981 of Bermuda, or the Companies Act, govern our affairs. The Companies Act does not as clearly establish your rights and the fiduciary responsibilities of our directors as do statutes and judicial precedent in some U.S. jurisdictions. Therefore, you may have more difficulty in protecting your interests as a shareholder in the face of actions by the management, directors or controlling shareholders than would shareholders of a corporation incorporated in a United States jurisdiction. There is a statutory remedy under Section 111 of the Companies Act which provides that a shareholder may seek redress in the courts as long as such shareholder can establish that our affairs are being conducted, or have been conducted, in a manner oppressive or prejudicial to the interests of some part of the shareholders, including such shareholder. However, you may not have the same rights that a shareholder in a United States corporation may have.

We are incorporated in Bermuda and it may not be possible for our investors to enforce U.S. judgments against us.

We are incorporated in the Islands of Bermuda. Substantially all of our assets are located outside the U.S. In addition, most of our directors and officers are non-residents of the U.S., and all or a substantial portion of the assets of these non-residents are located outside the U.S. As a result, it may be difficult or impossible for U.S. investors to serve process within the U.S. upon us, or our directors and officers or to enforce a judgment against us for civil liabilities in U.S. courts. In addition, you should not assume that courts in the countries in which we are incorporated or where our vessels are located (1) would enforce judgments of U.S. courts obtained in actions against us based upon the civil liability provisions of applicable U.S. federal and state securities laws or (2) would enforce, in original actions, liabilities against us based on those laws.

We may have to pay tax on United States source income, which would reduce our earnings.

Under the United States Internal Revenue Code of 1986, as amended, or the Code, 50% of the gross shipping income of a vessel owning or chartering corporation, such as ourselves, attributable to transportation that begins or ends, but that does not both begin and end, in the United States will be characterized as U.S. source shipping income and such income is subject to a 4% United States federal income tax, without the benefit of deductions, unless that corporation is entitled to a special tax exemption under the Code which applies to income derived by certain non-United States corporations from the international operations of ships. We believe that we currently qualify for this statutory tax exemption, and we have taken, and will continue to take, this position on the Company's United States federal income tax returns. However, there are several risks that could cause us to become subject to tax on our United States source shipping income. Due to the factual nature of the issues involved, we can give no assurances as to our tax-exempt status for our future taxable years.

If we are not entitled to this statutory tax exemption for any taxable year, we would be subject for any such year to a 4% U.S. federal income tax on our U.S. source shipping income, without the benefit of deductions. The imposition of this tax could have a negative effect on our business and would result in decreased earnings available for distribution to our shareholders.

If the United States Internal Revenue Service were to treat us as a "passive foreign investment company," that could have adverse tax consequences for United States shareholders.

A foreign corporation is treated as a "passive foreign investment company," or PFIC, for United States federal income tax purposes, if either (1) at least 75% of its gross income for any taxable year consists of certain types of "passive income" or (2) at least 50% of the average value of the corporation's assets produce or are held for the production of those types of passive income. For purposes of these tests, cash is treated as an asset that produces passive income, and passive income includes dividends, interest, and gains from the sale or exchange of investment property and rents and royalties other than rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business. Income derived from the performance of services does not constitute passive income. United States shareholders of a PFIC may be subject to a disadvantageous United States federal income tax regime with respect to the distributions they receive from the PFIC and the gain, if any, they derive from the sale or other disposition of their shares in the PFIC.

We believe that we ceased to be a PFIC beginning with the 2005 taxable year. Based on our current and expected future operations, we believe that we are not currently a PFIC, nor do we anticipate that we will become a PFIC for any future taxable year. As a result, non-corporate United States shareholders should be eligible to treat dividends paid by us in 2006 and thereafter as "qualified dividend income" which is subject to preferential tax rates.

We expect to derive more than 25% of our income each year from our spot chartering or time chartering activities. We also expect that more than 50% of the value of our assets will be devoted to our spot chartering and time chartering. Therefore, since we believe that such income will be treated for relevant United States federal income tax purposes as services income, rather than rental income, we have taken, and will continue to take, the position that such income should not constitute passive income, and that the assets that we own and operate in connection with the production of that income, in particular our vessels, should not constitute assets that produce or are held for the production of passive income for purposes of determining whether we are a PFIC in any taxable year.

There is, however, no direct legal authority under the PFIC rules addressing our method of operation. We believe there is substantial legal authority supporting our position consisting of case law and United States Internal Revenue Service, or IRS, pronouncements concerning the characterization of income derived from time charters and voyage charters as services income rather than rental income for other tax purposes. However, there is also authority which characterizes time charter income as rental income rather than services income for other tax purposes. Accordingly, no assurance can be given that the IRS or a court of law will accept our position, and there is a risk that the IRS or a court of law could determine that we are a PFIC. Moreover, no assurance can be given that we would not constitute a PFIC for any future taxable year if there were to be changes in the nature and extent of our operations.

If the IRS or a court of law were to find that we are or have been a PFIC for any taxable year beginning with the 2005 taxable year, our United States shareholders who owned their shares during such year would face adverse United States federal income tax consequences and certain information reporting obligations. Under the PFIC rules, unless those United States shareholders made or make an election available under the Code (which election could itself have adverse consequences for such United States shareholders), such United States shareholders would be subject to United States federal income tax at the then highest income tax rates on ordinary income plus interest upon excess distributions (i.e., distributions received in a taxable year that are greater than 125% of the average annual distributions received during the shorter of the three preceding taxable years or the United States shareholder's holding period for our common shares) and upon any gain from the disposition of our common shares, as if the excess distribution or gain had been recognized ratably over the United States shareholder's holding period of our common shares. In addition, non-corporate United States shareholders would not be eligible to treat dividends paid by us as "qualified dividend income" if we are a PFIC in the taxable year in which such dividends are paid or in the immediately preceding taxable year.

Changes in tax laws and unanticipated tax liabilities could materially and adversely affect the taxes we pay, results of operations and financial results.

We are subject to income and other taxes in several jurisdictions, and our results of operations and financial results may be affected by tax and other initiatives around the world. For instance, there is a high level of uncertainty in today's tax environment stemming from global initiatives put forth by the Economic Co-operation and Development's, or OECD, two-pillar base erosion and profit shifting project. In October 2021, members of the OECD put forth two proposals: (i) Pillar One reallocates profit to the market jurisdictions where sales arise versus physical presence; and (ii) Pillar Two compels multinational corporations with €750 million or more in annual revenue to pay a global minimum tax of 15% on income received in each country in which they operate. The reforms aim to level the playing field between countries by discouraging them from reducing their corporate income taxes to attract foreign business investment. Over 140 countries agreed to enact the two-pillar solution to address the challenges arising from the digitalization of the economy and, in 2024, these guidelines were declared effective and must now be enacted by those OECD member countries. It is possible that these guidelines, including the global minimum corporate tax rate measure of 15%, could increase the burden and costs of our tax compliance, the amount of taxes we incur in those jurisdictions and our global effective tax rate, which could have a material adverse impact on our results of operations and financial results.

We may become subject to taxation in Bermuda which would negatively affect our results.

Except as described under "Bermuda Tax Considerations", there is no Bermuda income or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by us or by our shareholders in respect of our shares. We have obtained an assurance from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1966 that, in the event that any legislation is enacted in Bermuda imposing any tax computed on profits or income, or computed on any capital asset, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not, until March 31, 2035, be applicable to us or to any of our operations or to our shares, debentures or other obligations except insofar as such tax applies to persons ordinarily resident in Bermuda or is payable by us in respect of real property owned or leased by us in Bermuda. We cannot assure you that a future Minister would honor that assurance, which is not legally binding, or that after such date we would not be subject to any such tax. If we were to become subject to taxation in Bermuda, our results of operations could be adversely affected.

As a Bermuda exempted company incorporated under Bermuda law with subsidiaries in another offshore jurisdiction, our operations may be subject to economic substance requirements.

On December 5, 2017, following an assessment of the tax policies of various countries by the Code of Conduct Group for Business Taxation of the European Union, or the COCG, the Council of the European Union approved and published Council conclusions containing a list of non-cooperative jurisdictions for tax purposes, or the Conclusions. Although at that time not considered "non-cooperative jurisdictions," certain countries, including Bermuda and the Marshall Islands were listed as having "tax regimes that facilitate offshore structures which attract profits without real economic activity." In connection with the Conclusions, and to avoid being placed on the list of "non-cooperative jurisdictions," the government of Bermuda, among others, committed to addressing COCG proposals relating to economic substance for entities doing business in or through their respective jurisdictions and to pass legislation to implement any appropriate changes by the end of 2018.

The Economic Substance Act 2018 and the Economic Substance Regulations 2018 of Bermuda, or the Economic Substance Act, and the Economic Substance Regulations, respectively, became operative on 31 December 2018. The Economic Substance Act applies to every registered entity in Bermuda that engages in a relevant activity and requires that every such entity shall maintain a substantial economic presence in Bermuda. A relevant activity for the purposes of the Economic Substance Act is banking business, insurance business, fund management business, financing and leasing business, headquarters business, shipping business, distribution and service centre business, intellectual property business and conducting business as a holding entity, which means acting as a pure equity holding entity.

The Economic Substance Act provides that a registered entity that carries on a relevant activity complies with economic substance requirements if (a) it is directed and managed in Bermuda, (b) its core income-generating activities (as may be prescribed) are undertaken in Bermuda with respect to the relevant activity, (c) it maintains adequate physical presence in Bermuda, (d) it has adequate full time employees in Bermuda with suitable qualifications and (e) it incurs adequate operating expenditure in Bermuda in relation to the relevant activity.

A registered entity that carries on a relevant activity is obliged under the Economic Substance Act to file a declaration in the prescribed form, or the Declaration, with the Registrar of Companies, or the Registrar, on an annual basis.

The Economic Substance Regulations provide that minimum economic substance requirements shall apply in relation to an entity if the entity is a pure equity holding entity whose sole function is to acquire and hold shares or an equitable interest in other entities, and the shares or equitable interest are controlling stakes in other entities. The minimum economic substance requirements include a) compliance with applicable corporate governance requirements set forth in the Bermuda Companies Act 1981 including keeping records of account, books and papers and financial statements and b) submission of a Declaration. Additionally, the Economic Substance Regulations provide that a pure equity holding entity complies with economic substance requirements where it also has adequate people for holding and managing equity participations, and adequate premises in Bermuda.

Certain of our subsidiaries may from time to time be organized in other jurisdictions identified by the COCG based on global standards set by the Organization for Economic Co-operation and Development with the objective of preventing low-tax jurisdictions from attracting profits from certain activities. These jurisdictions, including the Marshall Islands, have also enacted economic substance laws and regulations which we may be obligated to comply with. If we fail to comply with our obligations under the Economic Substance Act or any similar law applicable to us in any other jurisdiction, we could be subject to financial penalties and spontaneous disclosure of information to foreign tax officials in related jurisdictions and may be struck from the register of companies in Bermuda or such other jurisdiction. Any of these actions could have a material adverse effect on our business, financial condition and results of operations.

As a Bermuda exempted company incorporated under Bermuda law, we are subject to the Bermuda PIPA requirements.

The Bermuda Personal Information Protection 2016 Act, or PIPA, regulates how any organization in Bermuda may use personal information. PIPA became fully operative on January 1, 2025, and applies to all of our Bermuda entities. From this date, organizations in Bermuda are required to comply with a combination of principle-based and prescriptive rules for the use of personal information. Prescriptive rules for in scope organizations (i.e., those that use personal information, noting “use” is broadly defined) include a requirement to only use personal information where a legal condition applies, a requirement to appoint a data privacy officer, a requirement to provide all individuals with a privacy notice that must contain at a minimum certain required information and requirement to understand and comply with individual rights around access, rectification and erasure.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Nordic American Tankers Limited was formed on June 12, 1995, and organized under the laws of the Islands of Bermuda as an exempted company limited by shares pursuant to the Companies Act. We maintain our principal office and registered office at Par La Ville Place, 14 Par La Ville Street, Hamilton HM 08, Bermuda. Our telephone number at such address is (441) 292-7202 and we maintain an internet site at www.nat.bm. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of the SEC's internet site is www.sec.gov. None of the information contained on these websites is incorporated into or forms a part of this annual report. Our common shares trade under the symbol "NAT" on the New York Stock Exchange, or the NYSE. NAT's shares were admitted for listing on the NYSE in November 2004 and were traded on the American Stock Exchange, or AMEX, before that. NYSE Euronext acquired the AMEX in 2008 and is now known as the NYSE American. NAT also had a dual listing on the Oslo Stock Exchange until early 2005 when the listing in Oslo was terminated.

We are an international tanker company focusing solely on owning, operating and chartering of Suezmax tankers. In 2022, we sold five vessels built in 2002 and 2003, and we took delivery of two newbuildings, Nordic Harrier and Nordic Hunter, built at Samsung shipyard in South Korea. In 2023, we acquired the 2016-built Nordic Hawk. In 2025 we sold off the 2003-built Nordic Apollo and the 2004-built Nordic Castor and we took delivery of two 2016-built vessels Nordic Galaxy and Nordic Moon. Our fleet counted 20 vessels as of December 31, 2025. After 2025, we signed an agreement to build two new suezmax tankers with a South-Korean yard, with delivery in the second half of 2028. Under the commercial terms, the first installment fell due in the second quarter of 2026, with subsequent installment payable through the delivery of the vessel. No payments have been capitalized in 2025. The vessels will be financed well in advance of delivery in 2028. We plan to pay the first instalments with cash. So far in 2026 we have sold and delivered the 2004-built Nordic Luna and the 2005-built Nordic Sprinter. Both these vessels were classified as held for sale as of December 31, 2025. Also, after year-end, we have entered into firm agreements to sell the 2005-built Nordic Skier and the 2003-built Nordic Pollux. Following these transactions, our fleet will count 16 suezmax tankers (excluding newbuildings).

The vessels in our fleet are homogenous and interchangeable, which is a business strategy we refer to as the "Nordic American System".

The Nordic American System is transparent and predictable with the key elements of ships, people and capital. Further, we are a dividend company with the objective of having a strong balance sheet and low general and administrative costs. Under the "Nordic American System", we are focusing on close customer relationships and serving the "Big Oil" companies with a top-quality fleet.

All tankers in our fleet are Suezmax vessels, which have a carrying capacity of one million barrels of oil. The vessels are highly versatile. They can be utilized on most long-haul trade routes. A homogenous fleet streamlines maintenance, operating and administration costs, which helps keep our cash break-even low.

We have an operating cash break-even level of about $10,000 per day per vessel, which we consider low in the industry. The cash break-even rate is the amount of average daily revenue our vessels would need to earn in order to cover our vessel operating expenses (excluding general and administrative expenses, interest expenses and all other cash charges).

Recent Developments

Cash dividends are our priority, and we have, as of this date, declared quarterly dividends for 114 consecutive quarters. In 2025, we declared dividends in total of $0.36 per share and we have paid dividends in the first quarter of 2026 of $0.17 per share.

On December 17, 2025, a Memorandum of Agreement (MoA) was signed for the sale of Nordic Luna and Nordic Sprinter, with both vessels delivered in January 2026. On March 16, 2026, the MoA was signed for the sale of Nordic Skier, which was subsequently delivered in April 2026. On March 9, 2026, the MoA was signed for the sale of Nordic Pollux, which has not yet been delivered.

On January 15, 2025, and on May 8, 2025, we sold the 2003-built Nordic Apollo and the 2004-built Nordic Castor respectively. The Nordic Apollo was delivered to the buyers on February 26, 2025, and the buyers of Nordic Castor received the vessel on June 16, 2025. A gain on sale of vessels of $9.5 million for the Nordic Apollo and $7.1 million for the Nordic Castor was recorded in the Consolidated statement of operations of 1Q2025 and 2Q2025 respectively. Both vessels were unencumbered and the sales therefore strengthened our free liquidity with an aggregate of about $46 million.

On February 6, 2025, we renegotiated and amended the loan agreement with Beal Bank/CLMG effectively replacing our senior secured credit facility of $306.1 million, entered into on February 12, 2019, as well as an accordion loan of $30 million, entered into on December 16, 2020. The amended and restated five-year Senior Secured Credit Agreement with new terms is in the amount of $150 million and is a single loan. In addition to improved terms and flexibility, the new loan is secured in 7 of our Suezmax vessels and provided an immediate positive liquidity effect of $78 million. All other vessels that were secured under the February 12, 2019, facility is no longer part of the collateral. The loan has an annual amortization equal to a twenty-year maturity profile, carries a floating interest rate plus a margin and matures on February 13, 2030.

On February 14, 2025, we cancelled the equity distribution agreement with B.Riley Securities, Inc, dated February 14, 2022, under which the Company could, from time to time, offer and sell common stock through an At-the-Market Offering up to an aggregate of $60 million (the $60 million 2022 ATM). In 2022, we raised gross and net proceeds of $33.6 million and $32.7 million, respectively, by issuing and selling 14,337,258 common shares under this agreement. No shares were issued under this agreement during 2023. During 2024, we issued 2,954,219 shares and the remaining available balance after this was $17.2 million gross. This ATM (the $60 million 2022 ATM) was subsequently cancelled and the remaining balance not utilized, upon the 3-year expiry of the Shelf F-3 registration statement on February 14, 2025.

On March 11, 2025, we filed a new equity distribution agreement with B.Riley Securities, Inc, under which the Company could, from time to time, offer and sell common stock through an At-the-Market Offering up to an aggregate of $60 million (the $60 million 2025 ATM) that was a part of the F-3 filing of the same date. The F-3 filing and subsequently the $60 million 2025 ATM was made effective on March 31, 2025. This ATM has not been utilized till this date. Based on the share price of the Company of $6.03 as of April 17, 2026, a full utilization of the ATM would have resulted in 9,950,249 new shares being issued now.

On April 4, 2025, and on April 28, 2025, we took delivery of the 2016-built suezmax vessels Nordic Galaxy and Nordic Moon, purchased at a price of $66 million each. At the same time, we entered into a final agreement with Ocean Yield AS for an eight-year sale-leaseback financing of these two vessels. The financing was done at 50% of the purchase price against an eight-year bareboat charter agreement on both ships.

On May 28, 2025 we entered into an amended financing agreement on our three 2018-built Suezmax tankers; Nordic Aquarius, Nordic Cygnus and Nordic Tellus with Ocean Yield AS. Our three 2018-built vessels from Samsung shipyard were financed through a Sale-leaseback agreement in 2017 and took effect upon delivery of the ships during 2018. Under the terms of the original financing agreement, the lender provided financing of 77.5% of the purchase price for each of the three 2018-built vessels. After delivery of each of the vessels we entered into a ten-year bareboat charter agreement with pre-agreed options to re-purchase the vessels by settling the outstanding financing amount at the time of each purchase option, and a final purchase obligation at the end of the 10-year bareboat charter. In conjunction with the 7-year purchase option we entered into an amended financing agreement dated May 28, 2025, with Ocean Yield, for all three vessels. The new agreement increased the lease amount to $40 million on each vessel and subsequently released about $15 million for each ship in free liquidity. In addition to providing us with increased liquidity, the new and amended sale-lease back agreement offered us better terms and flexibility than the old agreement, with a new tenure of 8 years from May 28, 2025, for all the three vessels.

On December 17, 2025, we entered into a firm sales agreement for the 2004-built Nordic Luna and the 2005-built Nordic Sprinter. The vessels were delivered to the buyers in January 2026 and given that the vessels were unencumbered they provided $50 million of aggregate free liquidity. Both vessels were classified as Held for Sale in December 31, 2025, financial statements, and a gain on disposal of vessels will be recognized in the consolidated statement of operations in 1Q2026.

After year-end 2025 we have entered into the following 2 sales agreements; March 9, 2026 for the sale of the 2003-built Nordic Pollux and March 16, 2026, for the sale of the 2005-built Nordic Skier. One vessel was delivered to the buyers in April and the remaining transaction is yet to be completed.

For more information, please see “Item 5.B. Liquidity and Capital Resources” with regard to the above described transactions.

As of the date of this report, we have 211,750,663 common shares issued and outstanding.

B. Business Overview

Our Fleet

Our fleet as of December 31, 2025, consisted of 20 Suezmax crude oil tankers, of which the vast majority have been built in South Korea. During 2025 we disposed of Nordic Apollo and Nordic Castor and acquired Nordic Galaxy and Nordic Moon. The majority of our vessels are employed in the spot market. As of December 31, 2025, we have two vessels Nordic Harrier and Nordic Hunter chartered out on six-year time charter agreements that expire in 2028. Further, as of December 31, 2025, we have one vessel chartered out on a five-year time charter agreement expiring in late 2029 and one vessel on a time charter that expires in November 2026. Two vessels finished expiring in the fourth quarter of 2025. Occasionally, we also charter out vessels in our fleet on shorter term time charter agreements. The vessels in our fleet are considered homogenous and interchangeable as they have approximately the same freight capacity and ability to transport the same type of cargo. The company have two vessels classified as “Held for Sale” as of December 31, 2025.

As of December 31, 2025, our fleet was as follows:

Vessel	Built in	Deadweight Tons
Nordic Pollux	2003	150,103
Nordic Luna	2004	150,037
Nordic Freedom	2005	159,331
Nordic Sprinter	2005	159,089
Nordic Skier	2005	159,089
Nordic Vega	2010	163,940
Nordic Light	2010	158,475
Nordic Cross	2010	158,475
Nordic Breeze	2011	158,597
Nordic Zenith	2011	158,645
Nordic Galaxy	2016	157,781
Nordic Moon	2016	157,718
Nordic Hawk	2016	157,594
Nordic Star	2016	157,738
Nordic Space	2017	157,582
Nordic Aquarius	2018	157,338
Nordic Cygnus	2018	157,526
Nordic Tellus	2018	157,407
Nordic Hunter	2022	157,037
Nordic Harrier	2022	157,094

Employment of Our Fleet

It is our policy to operate the majority of our vessels either in the spot market or on shorter-term time charters. Large international oil companies, oil traders and independent oil companies both in the Western and the Eastern parts of the world are important customers.

***Spot Charters*:** Tankers operating in the spot market are typically chartered for a single voyage which may last up to several weeks. Under a voyage charter, we are responsible for paying voyage expenses and the charterer is responsible for any delay at the loading or discharging ports. When our tankers are operating on spot charters, the vessels are traded fully at the risk and reward of the Company. Revenues are recognized in a manner to reflect the transfer of the services to our customers over the duration of the voyage and freight is generally billed to the customer upon discharge of the cargo. The Company considers it appropriate to present this type of arrangement on a gross basis in the Statements of Operations. For further information concerning our accounting policies, please see Note 2 to our financial statements.

The tanker industry has historically been stronger in the fall and winter months in anticipation of increased oil consumption in the norther hemisphere during the winter months. Seasonal variations in tanker demand normally result in seasonal fluctuations in the spot market charters.

Time Charters: Under a time charter, the charterer is responsible and pays for the voyage expenses, such as port, canal and fuel costs, while the shipowner is responsible and pays for vessel operating expenses, including, among other costs, crew costs, provisions, deck and engine stores, lubricating oil, insurance, maintenance and repairs and costs relating to a vessel's intermediate and special surveys. Revenue from time charter contracts is recognized daily over the term of the charter. Time charter agreements with profit-sharing are recognized when the contingency related to it is resolved. As of December 31, 2025, we did not have any time charter agreements with profit-sharing.

Technical Management

The technical management of our vessels is handled by companies under direct instructions from NAT. The ship management firms V.Ships Norway AS, Columbia Shipmanagement Ltd and Hellespont Ship Management GmbH & Co KG, provide the technical management services. The compensation paid under the technical management agreements is in accordance with industry standards.

The International Tanker Market

International seaborne oil and petroleum products transportation services are mainly provided by two types of operators: major oil company captive fleets (both private and state-owned) and independent shipowner fleets. Both types of operators transport oil under short-term contracts (including single-voyage "spot charters") and long-term time charters with oil companies, oil traders, large oil consumers, petroleum product producers and government agencies. The oil companies own, or control through long-term time charters, a substantial part of the world tanker fleet. The oil companies use their fleets not only to transport their own oil, but also to transport oil for third-party charterers in direct competition with independent owners and operators in the tanker charter market.

The oil transportation industry has historically been subject to regulation by national authorities and through international conventions. Over recent years, however, an environmental protection regime has evolved which may have a significant impact on the operations of participants in the industry in the form of increasingly more stringent inspection requirements, closer monitoring of pollution-related events, and generally higher costs and potential liabilities for the owners and operators of tankers.

In order to benefit from economies of scale, tanker charterers typically charter the largest possible vessel to transport oil or products, consistent with port and canal dimensional restrictions and optimal cargo lot sizes. A tanker's carrying capacity is measured in deadweight tons, or dwt, which is the amount of crude oil measured in metric tons that the vessel is capable of loading but also in barrels of oil. VLCCs that can carry 2 million barrels of crude oil typically transport oil in long-haul trades, such as from the Arabian Gulf to Far East and Rotterdam via the Cape of Good Hope or from West Africa and US Gulf to the Far East via Cape of Good Hope. Suezmax tankers that carry 1 million barrels of crude oil also engage in long-haul as well as in medium-haul trades, such as from the Mediterranean, Black Sea, West Africa, South America and Arabian Gulf towards a variety of destinations such as India, Far East, Europe and US. Aframax-size vessels generally engage in both medium-and short-haul trades of less than 1,500 miles and carry crude oil or petroleum products. Smaller tankers mostly transport petroleum products in short-haul to medium-haul trades.

The 2025 Tanker Market (Source; Fearnleys)

Suezmax earnings in 2025, basis fixture date for forward loading averaged $51,800/day, up from $38,100/day in 2024. The average rate on the West Africa – UK/Continent route averaged 45,900/day. Earnings in the highly correlated VLCC and Aframax segments averaged $60,500/day and $37,500/day in 2025, respectively.

After a lackluster end to 2024, 2025 started off strongly following a massive sanctions package from the outgoing Biden administration. It was another volatile year for geopolitics and tanker rates. In the first half, rates were arguably softer than fundamentals suggested, while in the last few months they were stronger. A combination of solid volume growth, at times more long-haul trade, extensive sanctions on ships and oil infrastructure and exogenous events caused a very tight tanker market balance with correspondingly high rates nearly until the end of the year. Global crude oil production rose by 4.1 mbpd between Q4'24 and Q4'25 according to the IEA, and seaborne crude volumes at most rose by nearly 4 mbpd. In September/October there was very high Atlantic-East crude fixture activity, when fear of sanctions drove Asian crude buyers to look West, tying up tonnage for longer periods.

Total compliant tonne-miles were up 2.9% y/y in 2025, and VLCCs up by 5.5% on longer sailing distances. Compliant Suezmax tonne-miles rose by 2.3%, after having risen by 5.7% the preceding year. Strong overall volume growth from the Americas and OPEC+ cut unwinds took effect in the second half of the year, lifting demand for all segments. Key demand growth drivers for Suezmax were Kazakhstan, Brazil, Guyana and Argentina, all of which increased crude oil production and exports.

Overall net tanker fleet growth remained relatively low at 2.1% in 2025. This was up from the 0.8% growth seen in 2024. Fleet growth remained below the ten-year average total tanker fleet growth of 3.0%. The real effective fleet growth rate was likely closer to zero as 16.9% of the fleet was sanctioned, with utilization for those vessels lower than in the compliant market. As a result of sanctions, more compliant tankers were sold into the shadow markets, and also some more for demolition.

Suezmax fleet growth of 2.9% was well above the two years before at 1%. The preceding ten-year average fleet growth was 3.2%. 24 vessels were delivered and five demolished in 2025 vs. seven and one respectively in both 2023 and 2024. This took the total fleet at the end of 2025 to 632 vessels. By the end of the year 41% of the fleet were modern, fuel-efficient vessels, marginally up from a year earlier.

At the beginning of 2026 the Suezmax orderbook stood at 126 vessels, or 19.9% vs. the fleet. This compares to 96 vessels (15.6%) at the beginning of 2025, up from 9.5% a year earlier. The total crude oil and product tanker orderbook for vessels above 25,000 dwt at the beginning of 2026 stood at 16.7% vs. the fleet. The average orderbook to fleet ratio the last 20 years is 19%. The delivery schedule for 2026 implies approximately 6% gross fleet growth overall (4.7% crude, 9.1% products).

Through the year, Suezmax secondhand values declined marginally in 2025, on average by 1%, although by the end of the year there was an increasing trend. Similarly, newbuild prices declined marginally.

The Tanker Market 2026

Reported spot rates in the first quarter of 2026 were significantly higher compared to the very solid levels seen in the fourth quarter of 2025, reported by Clarkson Research. The average Suezmax earnings per day in fourth quarter 2025 was $78,235 per day while the number for the first quarter of 2026 came in at $167,360 per day based on the indicated rates published by Clarkson Research. The indicated rates are an average of observations and routes.

From the time a voyage is booked, and the rate is reported to the market, until the vessel loads the cargo and commences the voyage, there can be a delay of up to 30 days. As such, from an accounting perspective, a voyage booked at the end of a quarter may see the majority of its revenues being recorded in the following quarter’s results. The earnings for vessel operators are, for this reason, not necessarily expected to fluctuate in an identical manner as the indicative rates reported by Clarkson Research on a quarter-by-quarter basis.

Historically, geopolitical uncertainty has increased demand for oil tankers. Entering 2026 there is no lack of geopolitical turmoil and several of these events have had significant effect on oil trade flows. Towards the end of 2025 the increased pressure on Venezuela from the US effectively blocking out the shadow fleet from loading oil from the Country and a few days after New Year, they arrested the sitting president Maduro. This action taken by the US can probably bring Venezuelan oil back to the legit market, also for tankers. Currently the Iran War and the closure of the Strait of Hormuz is the main event of attention for shipping and tankers in particular. The increased pressure on the shadow fleet of tankers, as well as the US pressure on buyers of sanctioned oil has shifted a lot more oil volume into the compliant fleet of tankers. Wars, sanctions, and uncertainty in general very often changes the energy logistics and increases demand for transportation services. This time is no exception.

The supply of new tankers into the Tanker Market is increasing, but considering the current geopolitical events, it seems like the legitimate fleet of tankers are finally benefiting at the cost of the shadow fleet. The supply of tanker vessels is still not excessive for at least the next two or three years. Early February 2026, the orderbook for conventional Suezmax tankers stood at 132 vessels in total, which represents 22% of the existing Suezmax fleet. This historic average for the orderbook in percentage of the existing world fleet is 20%. Environmental regulations, increased steel and production costs, and higher interest rates make investing in new ships challenging and a moderate order book for new tankers has always helped the tanker industry.

The fundamentals in the tanker market looked promising before the geopolitical landscape started changing in 2022. What is now unfolding is of historic proportions and the Suezmax spot market is setting records not seen in history before.

Environmental and Other Regulations in the Shipping Industry

Government regulation and laws significantly affect the ownership and operation of our fleet. We are subject to international conventions and treaties, national, state and local laws and regulations in force in the countries in which our vessels may operate or are registered relating to safety and health and environmental protection including the storage, handling, emission, transportation and discharge of hazardous and non-hazardous materials, and the remediation of contamination and liability for damage to natural resources. Compliance with such laws, regulations and other requirements entails significant expense, including vessel modifications and implementation of certain operating procedures.

A variety of government and private entities subject our vessels to both scheduled and unscheduled inspections. These entities include the local port authorities (applicable national authorities such as the United States Coast Guard, or USCG, harbor master or equivalent), classification societies, flag state administrations (countries of registry) and charterers, particularly terminal operators. Certain of these entities require us to obtain permits, licenses, certificates and other authorizations for the operation of our vessels. Failure to maintain necessary permits or approvals could require us to incur substantial costs or result in the temporary suspension of the operation of one or more of our vessels.

Increasing environmental concerns have created a demand for vessels that conform to stricter environmental standards. We are required to maintain operating standards for all of our vessels that emphasize operational safety, quality maintenance, continuous training of our officers and crews and compliance with United States and international regulations. We believe that the operation of our vessels is in substantial compliance with applicable environmental laws and regulations and that our vessels have all material permits, licenses, certificates or other authorizations necessary for the conduct of our operations. However, because such laws and regulations frequently change and may impose increasingly stricter requirements, we cannot predict the ultimate cost of complying with these requirements, or the impact of these requirements on the resale value or useful lives of our vessels. In addition, a serious future marine incident that causes significant adverse environmental impact could result in additional legislation or regulation that could negatively affect our profitability.

International Maritime Organization

The International Maritime Organization, the United Nations agency for maritime safety and the prevention of pollution by vessels, or the IMO, has adopted the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto, collectively referred to as MARPOL 73/78 and herein as “MARPOL,” the International Convention for the Safety of Life at Sea of 1974, or SOLAS Convention, and the International Convention on Load Lines of 1966, or the LL Convention. MARPOL establishes environmental standards relating to oil leakage or spilling, garbage management, sewage, air emissions, handling and disposal of noxious liquids and the handling of harmful substances in packaged forms. MARPOL is applicable to drybulk, tanker and LNG carriers, among other vessels, and is broken into six Annexes, each of which regulates a different source of pollution. Annex I relates to oil leakage or spilling; Annexes II and III relate to harmful substances carried in bulk in liquid or in packaged form, respectively; Annexes IV and V relate to sewage and garbage management, respectively; and Annex VI, lastly, relates to air emissions. Annex VI was separately adopted by the IMO in September of 1997; new emissions standards, titled IMO-2020, took effect on January 1, 2020.

In 2013, the IMO’s Marine Environmental Protection Committee, or the “MEPC,” adopted a resolution amending MARPOL Annex I Condition Assessment Scheme, or “CAS.” These amendments became effective on October 1, 2014, and require compliance with the 2011 International Code on the Enhanced Program of Inspections during Surveys of Bulk Carriers and Oil Tankers, or “ESP Code,” which provides for enhanced inspection programs. We may need to make certain financial expenditures to comply with these amendments.

Air Emissions

In September of 1997, the IMO adopted Annex VI to MARPOL to address air pollution from vessels. Effective May 2005, Annex VI sets limits on sulfur oxide and nitrogen oxide emissions from all commercial vessel exhausts and prohibits “deliberate emissions” of ozone depleting substances (such as halons and chlorofluorocarbons), emissions of volatile compounds from cargo tanks and the shipboard incineration of specific substances. Annex VI also includes a global cap on the sulfur content of fuel oil and allows for special areas to be established with more stringent controls on sulfur emissions, as explained below. Emissions of “volatile organic compounds” from certain vessels, and the shipboard incineration (from incinerators installed after January 1, 2000) of certain substances (such as polychlorinated biphenyls, or PCBs are also prohibited. We believe that all our vessels are currently compliant in all material respects with these regulations.

The Marine Environment Protection Committee, or "MEPC," adopted amendments to Annex VI regarding emissions of sulfur oxide, nitrogen oxide, particulate matter and ozone depleting substances, which entered into force on July 1, 2010. The amended Annex VI seeks to further reduce air pollution by, among other things, implementing a progressive reduction of the amount of sulfur contained in any fuel oil used on board ships. On October 27, 2016, MEPC 70 agreed to implement a global 0.5% m/m sulfur oxide emissions limit (reduced from 3.50%) starting from January 1, 2020. This limitation can be met by using low-sulfur compliant fuel oil, alternative fuels or certain exhaust gas cleaning systems. Ships are now required to obtain bunker delivery notes and International Air Pollution Prevention, or IAPP, Certificates from their flag states that specify sulfur content. Additionally, at MEPC 73, amendments to Annex VI to prohibit the carriage of bunkers above 0.5% sulfur on ships were adopted and took effect March 1, 2020, with the exception of vessels fitted with exhaust gas cleaning equipment, or "scrubbers", which can carry fuel of higher sulfur content. These regulations subject ocean-going vessels to stringent emissions controls and may cause us to incur substantial costs.

Sulfur content standards are even stricter within certain "Emission Control Areas," or, or ECAs. As of January 1, 2015, ships operating within an ECA were not permitted to use fuel with sulfur content in excess of 0.1% m/m. Currently, the IMO has designated five ECAs, including specified portions of the Baltic Sea area, Mediterranean Sea area, North Sea area, North American area and United States Caribbean area. Ocean-going vessels in these areas will be subject to stringent emission controls and may cause us to incur additional costs. Other areas in China are subject to local regulations that impose stricter emission controls. In July 2023, MEPC 80 announced three new ECA proposals, including the Canadian Arctic waters and the Norwegian Sea, which should take effect in March 2027. MEPC 83 also approved the Northeast Atlantic Ocean as an ECA and is expected to take effect in 2028. If other ECAs are approved by the IMO, or other new or more stringent requirements relating to emissions from marine diesel engines or port operations by vessels are adopted by the U.S. Environmental Protection Agency, or the EPA, or the states where we operate, compliance with these regulations could entail significant capital expenditures or otherwise increase the costs of our operations.

The amended Annex VI also established new tiers of stringent nitrogen oxide emissions standards for marine diesel engines, depending on their date of installation. Tier III NOx standards were designed for the control of NOx produced by vessels and apply to ships that operate in the North American and U.S. Caribbean Sea ECAs with marine diesel engines installed and constructed on or after January 1, 2016At MEPC 70 and MEPC 71, the MEPC approved the North Sea and Baltic Sea as ECAs for nitrogen oxide for ships built on or after January 1, 2021. The Canadian-Arctic ECA for NOx will also be effective starting from March 1, 2026 for ships built on or after January 1, 2025. For the Norwegian Sea ECA, the NOx Tier III engine certification requirement will apply to ships (i) with building contracts placed on or after March 1, 2026, (ii) in the absence of a building contract, constructed on or after September 1, 2026, or (iii) delivered on or after March 1, 2030. For the North-East Atlantic ECA, the requirement is expected to apply to ships (i) contracted on or after January 1, 2027, (ii) in the absence of a building contract, constructed on or after July 1, 2027, or (iii) delivered on or after January 1, 2031. The EPA promulgated equivalent (and in some senses stricter) emissions standards in 2010. Tier III requirements could apply to additional areas designated for Tier III NOx in the future. In April 2025, MEPC 83 also adopted amendments (expected to enter into force late 2026 and early 2027) to the NOx Technical Code 2008, which allows ships to optimize fuel consumption based on their operational profile, thus improving energy efficiency, while ensuring compliance with NOx emission requirements. As a result of these designations or similar future designations, we may be required to incur additional operating or other costs.

At MEPC 70, Regulation 22A of MARPOL Annex VI became effective as of March 1, 2018, and requires ships above 5,000 gross tonnages to collect and report annual data on fuel oil consumption to an IMO database, with the first year of data collection having commenced on January 1, 2019. The IMO used such data as part of its initial roadmap (through 2023) for developing its strategy to reduce greenhouse gas emissions from ships, as discussed further below. MEPC 83 approved draft amendments to make the IMO's data collection system more accessible to the public through an anonymized database.

As of January 1, 2013, MARPOL made mandatory certain measures relating to energy efficiency for ships. All ships are now required to develop and implement Ship Energy Efficiency Management Plans, or SEEMP, and new ships must be designed in compliance with minimum energy efficiency levels per capacity mile as defined by the Energy Efficiency Design Index, or EEDI. MEPC 75 adopted amendments to MARPOL Annex VI which brings forward the effective date of the EEDI's "phase 3" requirements from January 1, 2025, to April 1, 2022, for several ship types, including gas carriers, general cargo ships, and LNG carriers.

Additionally, in 2022, MEPC amended Annex VI to impose new regulations to reduce greenhouse gas emissions from ships. These amendments introduce requirements to assess and measure the energy efficiency of all ships and set the required attainment values, with the goal of reducing the carbon intensity of international shipping. The requirements include (1) a technical requirement to reduce carbon intensity based on a new Energy Efficiency Existing Ship Index, or EEXI, and (2) operational carbon intensity reduction requirements, based on a new operational carbon intensity indicator, or CII. The attained EEXI is required to be calculated for ships of 400 gross tonnage and above, in accordance with different values set for ship types and categories. With respect to the CII, the draft amendments would require ships of 5,000 gross tonnage to document and verify their actual annual operational CII achieved against a determined required annual operational CII. All ships above 400 gross tonnage must also have an approved SEEMP on board. For ships above 5,000 gross tonnages, the SEEMP needs to include certain mandatory content. MEPC 75 also approved draft amendments to MARPOL Annex I to prohibit the use and carriage for use as fuel of heavy fuel oil, or HFO, by ships in Arctic waters on and after July 1, 2024.

In late 2022, MEPC 79 adopted amendments to MARPOL Annex VI, Appendix IX to include the attained and required CII values, the CII rating and attained EEXI for existing ships in the required information to be submitted to the IMO Ship Fuel Oil Consumption Database. MEPC 79 also revised the EEDI calculation guidelines to include a CO2 conversion factor for ethane, a reference to the updated ITCC guidelines, and a clarification that in case of a ship with multiple load line certificates, the maximum certified summer draft should be used when determining the deadweight. These amendments entered into force on May 1, 2024. In July 2023, MEPC 80 approved the plan for reviewing CII regulations and guidelines, and in April 2025, MEPC 83 adopted amendments to 2021 Guidelines on operational carbon intensity reduction factors, which outline methods for determining CII reduction factors from 2023 and now includes newly defined factors from 2027 to 2030.MEPC 83 also approved a work plan on the development of a regulatory framework for the use of onboard carbon capture and storage systems, which will capture carbon produced by a ship before it is emitted into the air.

We may incur costs to comply with these revised standards. Additional or new conventions, laws and regulations may be adopted that could require the installation of expensive emission control systems and could adversely affect our business, results of operations, cash flows and financial condition.

Safety Management System Requirements

The SOLAS Convention was amended to address the safe manning of vessels and emergency training drills. The Convention of Limitation of Liability for Maritime Claims, or the LLMC, sets limitations of liability for a loss of life or personal injury claim or a property claim against ship owners. We believe that our vessels are in substantial compliance with SOLAS and LLMC standards.

Under Chapter IX of the SOLAS Convention, or the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention, or the ISM Code, our operations are also subject to environmental standards and requirements. The ISM Code requires the party with operational control of a vessel to develop an extensive safety management system that includes, among other things, the adoption of a safety and environmental protection policy setting forth instructions and procedures for operating its vessels safely and for responding to emergencies. We rely upon the safety management system that our technical management teams have developed for compliance with the ISM Code. The failure of a vessel owner or bareboat charterer to comply with the ISM Code may subject such party to increased liability, may decrease available insurance coverage for the affected vessels and may result in a denial of access to, or detention in, certain ports.

The ISM Code requires that vessel operators obtain a safety management certificate for each vessel they operate. This certificate evidence compliance by a vessel's management with the ISM Code requirements for a safety management system. No vessel can obtain a safety management certificate unless its manager has been awarded a document of compliance, issued by each flag state, under the ISM Code. We have obtained applicable documents of compliance for our offices and safety management certificates for all of our vessels for which the certificates are required by the IMO. The documents of compliance and safety management certificates are renewed as required.

Regulation II-1/3-10 of the SOLAS Convention governs ship construction and stipulates that ships over 150 meters in length must have adequate strength, integrity and stability to minimize risk of loss or pollution. Goal-based standards amendments in SOLAS regulation II-1/3-10 entered into force in 2012, with July 1, 2016, set for application to new oil tankers and bulk carriers. The SOLAS Convention regulation II-1/3-10 on goal-based ship construction standards for bulk carriers and oil tankers, which entered into force on January 1, 2012, requires that all oil tankers and bulk carriers of 150 meters in length and above, for which the building contract is placed on or after July 1, 2016, satisfy applicable structural requirements conforming to the functional requirements of the International Goal-based Ship Construction Standards for Bulk Carriers and Oil Tankers, or the GBS Standards.

Amendments to the SOLAS Convention Chapter VII apply to vessels transporting dangerous goods and require those vessels be in compliance with the International Maritime Dangerous Goods Code, or IMDG Code. Effective January 1, 2018, the IMDG Code includes (1) the provisions for radioactive material, reflecting the latest provisions from the International Atomic Energy Agency, (2) marking, packing and classification requirements for dangerous goods and (3) mandatory training requirements. Amendments which took effect on January 1, 2020, also reflect the latest material from the UN Recommendations on the Transport of Dangerous Goods, including (1) provisions regarding IMO type 9 tank, (2) abbreviations for segregation groups, and (3) special provisions for carriage of lithium batteries and of vehicles powered by flammable liquid or gas. Additional amendments, which came into force on June 1, 2022, include (1) addition of a definition of dosage rate, (2) additions to the list of high consequence dangerous goods, (3) provisions for medical/clinical waste, (4) addition of various ISO standards for gas cylinders, (5) a handling code, and (6) changes to stowage and segregation provisions.

The IMO has also adopted the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, or STCW. As of February 2017, all seafarers are required to meet the STCW standards and be in possession of a valid STCW certificate. Flag states that have ratified SOLAS and STCW generally employ the classification societies, which have incorporated SOLAS and STCW requirements into their class rules, to undertake surveys to confirm compliance.

The IMO's Maritime Safety Committee and MEPC, respectively, each adopted relevant parts of the International Code for Ships Operating in Polar Water, or the Polar Code. The Polar Code, which entered into force on January 1, 2017, covers design, construction, equipment, operational, training, search and rescue as well as environmental protection matters relevant to ships operating in the waters surrounding the two poles. It also includes mandatory measures regarding safety and pollution prevention as well as recommendatory provisions. The Polar Code applies to ships constructed after January 1, 2017, and after January 1, 2018, ships constructed before January 1, 2017, are required to meet the relevant requirements by the earlier of their first intermediate or renewal survey.

Furthermore, cybersecurity guidance regulations have been developed in an attempt to combat cybersecurity threats. For new ships and offshore installations contracted for construction on or after January 1, 2024, the International Association of Classification Societies, or IACS, now requires vessel owners, yard and suppliers to build cybersecurity barriers into their systems and vessels, requiring compliance across the full spectrum of critical on-board control and navigation systems. On July 16, 2025, the U.S. Coast Guard's final rule, Cybersecurity in the Maritime Transportation System, went into effect. Under this rule, all regulated entities are required to develop Cybersecurity and Cyber Incident Response Plans, designate a Cybersecurity Officer to implement plans, and to report certain cyber incidents to the National Response Centre. This might cause companies to create additional procedures for monitoring cybersecurity, which could require additional expenses and/or capital expenditures. The impact of these regulations is hard to predict at this time.

Pollution Control and Liability Requirements

The IMO has negotiated international conventions that impose liability for pollution in international waters and the territorial waters of the signatories to such conventions. For example, the IMO adopted an International Convention for the Control and Management of Ships' Ballast Water and Sediments, or the BWM Convention, in 2004. The BWM Convention entered into force on September 8, 2017. The BWM Convention requires ships to manage their ballast water to remove, render harmless or avoid the uptake or discharge of new or invasive aquatic organisms and pathogens within ballast water and sediments. The BWM Convention's implementing regulations call for a phased introduction of mandatory ballast water exchange requirements, to be replaced in time with mandatory concentration limits, and require all ships to carry a ballast water record book and an international ballast water management certificate.

The MEPC maintains guidelines for approval of ballast water management systems (G8). Ships over 400 gross tons generally must comply with a "D-1 standard," requiring the exchange of ballast water only in open seas and away from coastal waters. The "D-2 standard" specifies the maximum amount of viable organisms allowed to be discharged, and compliance dates vary depending on the IOPP renewal dates. The standards have been in force since 2019, and for most ships, compliance with the D-2 standard involved installing on-board systems to treat ballast water and eliminate unwanted organisms. Ballast water management systems, which include systems that make use of chemical, biocides, organisms or biological mechanisms, or which alter the chemical or physical characteristics of the ballast water, must be approved in accordance with IMO Guidelines (Regulation D-3). Since September 8, 2024, all ships must meet the D-2 standard. Costs of compliance with these regulations may be substantial. Additionally, in November 2020, MEPC 75 adopted amendments to the BWM Convention which would require a commissioning test of the ballast water management system for the initial survey or when performing an additional survey for retrofits. This analysis will not apply to ships that already have an installed BWM system certified under the BWM Convention. These amendments have entered into force on June 1, 2022. In December 2022, MEPC 79 agreed that it should be permitted to use ballast tanks for temporary storage of treated sewage and grey water. MEPC 79 also established that ships are expected to return to D-2 compliance after experiencing challenging uptake water and bypassing a BWM system should only be used as a last resort.

In addition to the BWM Convention, many countries already regulate the discharge of ballast water carried by vessels from country to country to prevent the introduction of invasive and harmful species via such discharges. The U.S., for example, requires vessels entering its waters from another country to conduct mid-ocean ballast exchange, or undertake some alternate measure, and to comply with certain reporting requirements.

The IMO adopted the International Convention on Civil Liability for Oil Pollution Damage of 1969, as amended by different Protocols in 1976, 1984 and 1992, and amended in 2000, or the CLC. Under the CLC and depending on whether the country in which the damage results is a party to the 1992 Protocol to the CLC, a vessel's registered owner may be strictly liable for pollution damage caused in the territorial waters of a contracting state by discharge of persistent oil, subject to certain exceptions. The 1992 Protocol changed certain limits on liability expressed using the International Monetary Fund currency unit, the Special Drawing Rights. The limits on liability have since been amended so that the compensation limits on liability were raised. The right to limit liability is forfeited under the CLC where the spill is caused by the shipowner's actual fault and under the 1992 Protocol where the spill is caused by the shipowner's intentional or reckless act or omission where the shipowner knew pollution damage would probably result. The CLC requires ships over 2,000 tons covered by it to maintain insurance covering the liability of the owner in a sum equivalent to an owner's liability for a single incident. We have protection and indemnity insurance for environmental incidents. P&I Clubs in the International Group issue the required Bunkers Convention "Blue Cards" to enable signatory states to issue certificates. All of our vessels are in possession of a CLC State issued certificate attesting that the required insurance coverage is in force.

The IMO also adopted the International Convention on Civil Liability for Bunker Oil Pollution Damage, or the Bunker Convention, to impose strict liability on ship owners (including the registered owner, bareboat charterer, manager or operator) for pollution damage in jurisdictional waters of ratifying states caused by discharges of bunker fuel. The Bunker Convention requires registered owners of ships over 1,000 gross tons to maintain insurance for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime (but not exceeding the amount calculated in accordance with the LLMC). With respect to non-ratifying states, liability for spills or releases of oil carried as fuel in ship's bunkers typically is determined by the national or other domestic laws in the jurisdiction where the events or damages occur.

Ships are required to maintain a certificate attesting that they maintain adequate insurance to cover an incident. In jurisdictions, such as the United States where the CLC or the Bunker Convention has not been adopted, various legislative schemes or common law govern, and liability is imposed either on the basis of fault or on a strict-liability basis.

AntiFouling Requirements

In 2001, the IMO adopted the International Convention on the Control of Harmful Antifouling Systems on Ships, or the “Antifouling Convention.” The Antifouling Convention, which entered into force on September 17, 2008, prohibits the use of organotin compound coatings to prevent the attachment of mollusks and other sea life to the hulls of vessels. Vessels of over 400 gross tons engaged in international voyages will also be required to undergo an initial survey before the vessel is put into service or before an International Antifouling System Certificate, or the IAFS Certificate, is issued for the first time; and subsequent surveys when the antifouling systems are altered or replaced. Vessels of 24 meters in length or more but less than 400 gross tonnage engaged in international voyages will have to carry a Declaration on Anti-fouling Systems signed by the owner or authorized agent.

In November 2020, MEPC 75 approved draft amendments to the Anti-fouling Convention to prohibit anti-fouling systems containing cybutryne, which would apply to ships from January 1, 2023, or, for ships already bearing such an anti-fouling system, at the next scheduled renewal of the system after that date, but no later than 60 months following the last application to the ship of such a system. In addition, the IAFS Certificate has been updated to address compliance options for anti-fouling systems to address cybutryne. Ships which are affected by this ban on cybutryne must receive an updated IAFS Certificate no later than two years after the entry into force of these amendments. Ships which are not affected (i.e. with anti-fouling systems which do not contain cybutryne) must receive an updated IAFS Certificate at the next Anti-fouling application to the vessel. These amendments were formally adopted at MEPC 76 in June 2021 and entered into force on January 1, 2023.

We have obtained Antifouling System Certificates for all of our vessels that are subject to the Antifouling Convention.

Compliance Enforcement

Noncompliance with the ISM Code or other IMO regulations may subject the ship owner or bareboat charterer to increased liability, may lead to decreases in available insurance coverage for affected vessels and may result in the denial of access to, or detention in, some ports. The USCG and European Union authorities prohibit vessels not in compliance with the ISM Code by applicable deadlines from trading in U.S. and European Union ports, respectively. As of the date of this report, each of our vessels is ISM Code certified. However, there can be no assurance that such certificates will be maintained in the future**.** The IMO continues to review and introduce new regulations. It is impossible to predict what additional regulations, if any, may be passed by the IMO and what effect, if any, such regulations might have on our operations.

United States Regulations

The U.S. Oil Pollution Act of 1990 and the Comprehensive Environmental Response, Compensation and Liability Act

The U.S. Oil Pollution Act of 1990, or OPA, established an extensive regulatory and liability regime for the protection and cleanup of the environment from oil spills. OPA affects all “owners and operators” whose vessels trade or operate within the U.S., its territories and possessions or whose vessels operate in U.S. waters, which includes the U.S.’s territorial sea and its 200-nautical mile exclusive economic zone around the U.S. The U.S. has also enacted the Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA, which applies to the discharge of hazardous substances other than oil, except in limited circumstances, whether on land or at sea. OPA and CERCLA both define “owner and operator” in the case of a vessel as any person owning, operating or chartering by demise, the vessel. Both OPA and CERCLA impact our operations.

Under OPA, vessel owners and operators are “responsible parties” and are jointly, severally and strictly liable (unless the spill results solely from the act or omission of a third party, an act of God or an act of war) for all containment and clean-up costs and other damages arising from discharges or threatened discharges of oil from their vessels, including bunkers (fuel). OPA defines these other damages broadly to include:

(i) injury to, destruction or loss of, or loss of use of, natural resources and related assessment costs;

(ii) injury to, or economic losses resulting from, the destruction of real and personal property;

(iii) loss of subsistence use of natural resources that are injured, destroyed or lost;

(iv) net loss of taxes, royalties, rents, fees or net profit revenues resulting from injury, destruction or loss of real or personal property, or natural resources;

(v) lost profits or impairment of earning capacity due to injury, destruction or loss of real or personal property or natural resources; and

(vi) net cost of increased or additional public services necessitated by removal activities following a discharge of oil, such as protection from fire, safety or health hazards, and loss of subsistence use of natural resources.

OPA contains statutory caps on liability and damages; such caps do not apply to direct clean-up costs. On December 23, 2022, the USCG issued a final rule to adjust the limitation of liability under the OPA. Effective March 23, 2023, the new adjusted limits of OPA liability for a tank vessel, other than a single-hull tank vessel, over 3,000 gross tons liability to the greater of $2,500 per gross ton or $21,521,300 (subject to periodic adjustment for inflation). These limits of liability do not apply if an incident was proximately caused by the violation of an applicable U.S. federal safety, construction or operating regulation by a responsible party (or its agent, employee or a person acting pursuant to a contractual relationship) or a responsible party's gross negligence or willful misconduct. The limitation on liability similarly does not apply if the responsible party fails or refuses to (i) report the incident as required by law where the responsible party knows or has reason to know of the incident; (ii) reasonably cooperate and assist as requested in connection with oil removal activities; or (iii) without sufficient cause, comply with an order issued under the Federal Water Pollution Act (Section 311 (c), (e)) or the Intervention on the High Seas Act.

CERCLA contains a similar liability regime whereby owners and operators of vessels are liable for clean-up, removal and remedial costs, as well as damages for injury to, or destruction or loss of, natural resources, including the reasonable costs associated with assessing the same, and health assessments or health effects studies. There is no liability if the discharge of a hazardous substance results solely from the act or omission of a third party, an act of God or an act of war. Liability under CERCLA is limited to the greater of $300 per gross ton or $5.0 million for vessels carrying a hazardous substance as cargo and the greater of $300 per gross ton or $500,000 for any other vessel. These limits do not apply (rendering the responsible person liable for the total cost of response and damages) if the release or threat of release of a hazardous substance resulted from wilful misconduct or negligence, or the primary cause of the release was a violation of applicable safety, construction or operating standards or regulations. The limitation on liability also does not apply if the responsible person fails or refuses to provide all reasonable cooperation and assistance as requested in connection with response activities where the vessel is subject to OPA.

OPA and CERCLA each preserve the right to recover damages under existing law, including maritime tort law. OPA and CERCLA both require owners and operators of vessels to establish and maintain with the USCG evidence of financial responsibility sufficient to meet the maximum amount of liability to which the particular responsible person may be subject. Vessel owners and operators may satisfy their financial responsibility obligations by providing a proof of insurance, a surety bond, qualification as a self-insurer or a guarantee. We comply and plan to comply going forward with the USCG's financial responsibility regulations by providing applicable certificates of financial responsibility.

OPA specifically permits individual states to impose their own liability regimes with regard to oil pollution incidents occurring within their boundaries, provided they accept, at a minimum, the levels of liability established under OPA. Some states have enacted legislation providing for unlimited liability for oil spills, and many U.S. states that border a navigable waterway have enacted environmental pollution laws that impose strict liability on a person for removal costs and damages resulting from a discharge of oil or a release of a hazardous substance. Moreover, some states have enacted legislation providing for unlimited liability for discharge of pollutants within their waters, although in some cases, states which have enacted this type of legislation have not yet issued implementing regulations defining vessel owners' responsibilities under these laws. These laws may be more stringent than U.S. federal law. The Company intends to comply with all applicable state regulations in the ports where the Company's vessels call.

We currently maintain pollution liability coverage insurance in the amount of $1.0 billion per incident for each of our vessels. If the damage from a catastrophic spill were to exceed our insurance coverage, it could have an adverse effect on our business and results of operation. *Other United States Environmental Initiatives.*

The U.S. Clean Air Act of 1970 (including its amendments of 1977 and 1990), or CAA, requires the EPA to promulgate standards applicable to emissions of volatile organic compounds and other air contaminants. Our vessels are subject to vapor control and recovery requirements for certain cargoes when loading, unloading, ballasting, cleaning and conducting other operations in regulated port areas. The CAA also requires states to draft State Implementation Plans, or "SIPs," designed to attain national health-based air quality standards in each state. Although state-specific, SIPs may include regulations concerning emissions resulting from vessel loading and unloading operations by requiring the installation of vapor control equipment. Our vessels operating in such regulated port areas with restricted cargoes are equipped with vapor recovery systems that satisfy these existing requirements.

The U.S. Clean Water Act, or CWA, prohibits the discharge of oil, hazardous substances and ballast water in U.S. navigable waters unless authorized by a duly issued permit or exemption and imposes strict liability in the form of penalties for any unauthorized discharges. The CWA also imposes substantial liability for the costs of removal, remediation and damages and complements the remedies available under OPA and CERCLA.

The EPA and the USCG have also enacted rules relating to ballast water discharge, compliance with which requires the installation of equipment on our vessels to treat ballast water before it is discharged or the implementation of other port facility disposal arrangements or procedures at potentially substantial costs, and/or otherwise restrict our vessels from entering U.S. Waters. The EPA will regulate these ballast water discharges and other discharges incidental to the normal operation of certain vessels within United States waters pursuant to the Vessel Incidental Discharge Act, or VIDA, which was signed into law on December 4, 2018 and replaces the 2013 Vessel General Permit, or VGP, program (which authorizes discharges incidental to operations of commercial vessels and contains numeric ballast water discharge limits for most vessels to reduce the risk of invasive species in U.S. waters, stringent requirements for exhaust gas scrubbers, and requirements for the use of environmentally acceptable lubricants) and current Coast Guard ballast water management regulations adopted under the U.S. National Invasive Species Act, or NISA, such as mid-ocean ballast exchange programs and installation of approved USCG technology for all vessels equipped with ballast water tanks bound for U.S. ports or entering U.S. waters. VIDA establishes a new framework for the regulation of vessel incidental discharges under Clean Water Act (CWA), requires the EPA to develop performance standards for those discharges within two years of enactment, and requires the U.S. Coast Guard to develop implementation, compliance and enforcement regulations within two years of EPA's promulgation of standards. In October 2024, the EPA finalized its rule on Vessel Incidental Discharge Standards of Performance, which means that the USCG must now develop corresponding regulations regarding ballast water within two years of that date. Under VIDA, all provisions of the 2013 VGP and USCG regulations regarding ballast water treatment remain in force and effect until the EPA and U.S. Coast Guard regulations are finalized. Non-military, non-recreational vessels greater than 79 feet in length must continue to comply with the requirements of the VGP, including submission of a Notice of Intent, or NOI, or retention of a PARI form and submission of annual reports. We have submitted NOIs for our vessels where required. Compliance with the EPA, U.S. Coast Guard and state regulations could require the installation of ballast water treatment equipment on our vessels or the implementation of other port facility disposal procedures at potentially substantial cost or may otherwise restrict our vessels from entering U.S. waters.

European Union Regulations

In October 2009, the European Union amended a directive to impose criminal sanctions for illicit ship-source discharges of polluting substances, including minor discharges, if committed with intent, recklessly or with serious negligence and the discharges individually or in the aggregate result in deterioration of the quality of water. Aiding and abetting the discharge of a polluting substance may also lead to criminal penalties. The directive applies to all types of vessels, irrespective of their flag, but certain exceptions apply to warships or where human safety or that of the ship is in danger. Criminal liability for pollution may result in substantial penalties or fines and increased civil liability claims. Regulation (EU) 2015/757 of the European Parliament and of the Council of 29 April 2015 (amending EU Directive 2009/16/EC) governs the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and, subject to some exclusions, requires companies with ships over 5,000 gross tonnage to monitor and report carbon dioxide emissions annually, which may cause us to incur additional expenses.

The European Union has adopted several regulations and directives requiring, among other things, more frequent inspections of high-risk ships, as determined by type, age and flag as well as the number of times the ship has been detained. The European Union also adopted and extended a ban on substandard ships and enacted a minimum ban period and a definitive ban for repeated offenses. The regulation also provided the European Union with greater authority and control over classification societies, by imposing more requirements on classification societies and providing for fines or penalty payments for organizations that failed to comply. Furthermore, the EU has implemented regulations requiring vessels to use reduced sulfur content fuel for their main and auxiliary engines. The EU Directive 2005/33/EC (amending Directive 1999/32/EC) introduced requirements parallel to those in Annex VI relating to the sulfur content of marine fuels. In addition, the EU imposed a 0.1% maximum sulfur requirement for fuel used by ships at berth in the Baltic, the North Sea and the English Channel (the so called "SOx-Emission Control Area. As of January 2020, EU member states must also ensure that ships in all EU waters, except the SOx-Emission Control Area, use fuels with a 0.5% maximum sulfur content.

On September 15, 2020, the European Parliament voted to include greenhouse gas emissions from the maritime sector in the European Union's carbon market, the EU Emissions Trading System, or EU ETS, as part of its "Fit-for-55" legislation to reduce net greenhouse gas emissions by at least 55% by 2030. This will require shipowners to buy permits to cover these emissions. On December 18, 2022, the Environmental Council and European Parliament agreed on a gradual introduction of obligations for shipping companies to surrender allowances equivalent to a portion of their carbon emissions: 40% for verified emissions from 2024, 70% for 2025 and 100% for 2026. Most large vessels will be included in the scope of the EU ETS from the start. Big offshore vessels of 5,000 gross tonnage and above will be included in the 'MRV' on the monitoring, reporting and verification of CO2 emissions from maritime transport regulation from 2025 and in the EU ETS from 2027. General cargo vessels and off-shore vessels between 400-5,000 gross tonnage will be included in the MRV regulation from 2025 and their inclusion in EU ETS will be reviewed in 2026. Furthermore, starting from January 1, 2026, the ETS regulations will expand to include emissions of two additional greenhouse gases: nitrous oxide and methane.

The EU also adopted the FuelEU Maritime regulation, a proposal included in the "Fit-for-55" legislation. Starting from January 2025, FuelEU Maritime sets requirements on the annual average GHG intensity of energy used by ships trading within the EU or European Economic Area (EEA). This intensity is measured as GHG emissions per energy unit (gCO2e/MJ) and, in turn, GHG emissions are calculated in a well-to-wake perspective. The calculation takes into account emissions related to the extraction, cultivation, production and transportation of fuel, in addition to emissions from energy used on board the ship. The baseline for the calculation is the average well-to-wake GHG intensity of the fleet in 2020: 91.16 gCO2e/MJ. This will start at a 2% reduction in 2025, increasing to 6% in 2030, and accelerating from 2035 to reach an 80% reduction by 2050.

Compliance with the EU ETS and the FuelEU Maritime regulations will result in additional compliance and administration costs to properly incorporate the provisions of the Directive into our business routines. Additional EU regulations which are part of the EU's "Fit-for-55," could also affect our financial position in terms of compliance and administration costs when they take effect.

International Labour Organization

The International Labour Organization, or the ILO, is a specialized agency of the UN that has adopted the Maritime Labor Convention 2006, or MLC 2006. A Maritime Labor Certificate and a Declaration of Maritime Labor Compliance is required to ensure compliance with the MLC 2006 for all ships that are 500 gross tonnage or over and are either engaged in international voyages or flying the flag of a Member and operating from a port, or between ports, in another country. We believe that all our vessels are in substantial compliance with and are certified to meet MLC 2006.

Greenhouse Gas Regulation

Currently, the emissions of greenhouse gases from international shipping are not subject to the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which entered into force in 2005 and pursuant to which adopting countries have been required to implement national programs to reduce greenhouse gas emissions. International negotiations are continuing with respect to a successor to the Kyoto Protocol, and restrictions on shipping emissions may be included in any new treaty. In December 2009, more than 27 nations, including the U.S. and China, signed the Copenhagen Accord, which includes a non-binding commitment to reduce greenhouse gas emissions. The 2015 United Nations Climate Change Conference in Paris resulted in the Paris Agreement, which entered into force on November 4, 2016, and does not directly limit greenhouse gas emissions from ships. The U.S. is no longer a party to the Paris Agreement.

At MEPC 70 and MEPC 71, a draft outline of the structure of the initial strategy for developing a comprehensive IMO strategy on reduction of greenhouse gas emissions from ships was approved. In accordance with this roadmap, in April 2018, nations at the MEPC 72 adopted an initial strategy to reduce greenhouse gas emissions from ships. The initial strategy identifies “levels of ambition” to reduce greenhouse gas emissions and notes that technological innovation, alternative fuels and/or energy sources for international shipping will be integral to achieve the ambitions. At MEPC 77, the Member States agreed to initiate the revision of the Initial IMO Strategy on Reduction of GHG emissions from ships, recognizing the need to strengthen the “levels of ambition.” In July 2023, MEPC 80 adopted the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, or the 2023 IMO Strategy, which builds upon the initial strategy’s levels of ambition. The revised levels of ambition include (1) further decreasing the carbon intensity from ships through improvement of energy efficiency; (2) reducing carbon intensity of international shipping; (3) increasing adoption of zero or near-zero emissions technologies, fuels, and energy sources; and (4) achieving net zero GHG emissions from international shipping. Furthermore, the following indicative checkpoints were adopted in order to reach net zero GHG emissions from international shipping: i). reduce the total annual GHG emissions from international shipping by at least 20%, striving for 30%, by 2030, compared to 2008 levels; and ii). reduce the total annual GHG emissions from international shipping by at least 70%, striving for 80%, by 2040, compared to 2008 levels. As part of the 2023 IMO Strategy, MPEC also created the IMO Net-zero Framework, which will combine mandatory emissions limits and GHG pricing across the industry. The IMO Net-zero Framework was approved at MEPC 83 (Spring 2025) for potential adoption in Spring 2026 and will eventually be included in Annex VI. Under these draft regulations, ships will be required to reduce their annual greenhouse gas fuel intensity, or GFI, calculated using the well-to-wake approach and ships emitting above GFI thresholds will have to acquire remedial units to balance its deficit emissions, while those using zero or near-zero GHG technologies will be eligible for financial rewards. These regulations could cause us to incur additional substantial expenses.

The EU made a unilateral commitment to reduce overall greenhouse gas emissions from its member states from 20% of 1990 levels by 2020. The EU also committed to reduce its emissions by 20% under the Kyoto Protocol’s second period from 2013 to 2020. As of January 2018, large ships over 5,000 gross tonnage calling at EU ports are required to collect and publish data on carbon dioxide emissions and other information. Under the European Climate Law, the EU committed to reduce its net greenhouse gas emissions by at least 55% by 2030 through its “Fit-for-55” legislation package. As part of this initiative, the European Union’s carbon market, EU ETS, has been extended to cover CO2 emissions from all large ships entering EU ports starting January 2024.

In the United States, the EPA issued a finding that greenhouse gases endanger the public health and safety, adopted regulations to limit greenhouse gas emissions from certain mobile sources and proposed regulations to limit greenhouse gas emissions from large stationary sources. However, in March 2017, the Trump administration issued an executive order to review and possibly eliminate the EPA’s plan to cut greenhouse gas emissions, and on August 13, 2020, the EPA released rules rolling back standards to control methane and volatile organic compound emissions from new oil and gas facilities. In early 2021, the Biden administration directed the EPA to publish a proposed rule suspending, revising, or rescinding certain of these rules, which was finalized in December 2023. However, the current administration is delaying these requirements limiting methane emissions and is considering repealing the measure altogether. Therefore, it is unclear how such environmental regulations could affect our operations.

Any passage of climate control legislation or other regulatory initiatives by the IMO, the EU, the U.S. or other countries where we operate, or any treaty adopted at the international level to succeed the Kyoto Protocol or Paris Agreement, that restricts emissions of greenhouse gases could require us to make significant financial expenditures which we cannot predict with certainty at this time. Even in the absence of climate control legislation, our business may be indirectly affected to the extent that climate change may result in sea level changes or certain weather events.

Vessel Security Regulations

Since the terrorist attacks of September 11, 2001, in the United States, there have been a variety of initiatives intended to enhance vessel security such as the U.S. Maritime Transportation Security Act of 2002, or MTSA. To implement certain portions of the MTSA, the USCG issued regulations requiring the implementation of certain security requirements aboard vessels operating in waters subject to the jurisdiction of the United States and at certain ports and facilities, some of which are regulated by the EPA.

Similarly, Chapter XI-2 of the SOLAS Convention imposes detailed security obligations on vessels and port authorities and mandates compliance with the International Ship and Port Facility Security Code, or the ISPS Code. The ISPS Code is designed to enhance the security of ports and ships against terrorism. To trade internationally, a vessel must attain an International Ship Security Certificate, or ISSC, from a recognized security organization approved by the vessel's flag state. Ships operating without a valid certificate may be detained, expelled from or refused entry at port until they obtain an ISSC.

The USCG regulations, intended to align with international maritime security standards, exempt non-U.S. vessels from MTSA vessel security measures, provided such vessels have on board a valid ISSC that attests to the vessel's compliance with the SOLAS Convention security requirements and the ISPS Code. Future security measures could have a significant financial impact on us. We intend to comply with the various security measures addressed by MTSA, the SOLAS Convention and the ISPS Code.

The cost of vessel security measures has also been affected by the escalation in the frequency of acts of piracy against ships, notably off the coast of Somalia, including the Gulf of Aden and Arabian Sea area. Substantial loss of revenue and other costs may be incurred as a result of detention of a vessel or additional security measures, and the risk of uninsured losses could significantly affect our business. Costs are incurred in taking additional security measures in accordance with Best Management Practices to Deter Piracy, notably those contained in the BMP5 industry standard.

Inspection by Classification Societies

The hull and machinery of every commercial vessel must be classed by a classification society authorized by its country of registry. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and SOLAS. Most insurance underwriters make it a condition for insurance coverage and lending that a vessel be certified "in class" by a classification society which is a member of the International Association of Classification Societies, the IACS. The IACS has adopted harmonized Common Structural Rules, or "the Rules," which apply to oil tankers and bulk carriers contracted for construction on or after July 1, 2015. The Rules attempt to create a level of consistency between IACS Societies. All of our vessels are certified as being "in class" by all the applicable Classification Societies (e.g., American Bureau of Shipping, Lloyd's Register of Shipping).

A vessel must undergo annual surveys, intermediate surveys, drydockings and special surveys. In lieu of a special survey, a vessel's machinery may be on a continuous survey cycle, under which the machinery would be surveyed periodically over a five-year period. Every vessel is also required to be drydocked every 30 to 36 months for inspection of the underwater parts of the vessel. If any vessel does not maintain its class and/or fails any annual survey, intermediate survey, drydocking or special survey, the vessel will be unable to carry cargo between ports and will be unemployable and uninsurable which could cause us to be in violation of certain covenants in our loan agreements.

Any such inability to carry cargo or be employed, or any such violation of covenants, could have a material adverse impact on our financial condition and results of operations.

Risk of Loss and Liability Insurance

General

The operation of any cargo vessel includes risks such as mechanical failure, physical damage, collision, property loss, cargo loss or damage and business interruption due to political circumstances in foreign countries, war, piracy incidents, hostilities and labor strikes. In addition, there is always an inherent possibility of marine disaster, including oil spills and other environmental mishaps, and the liabilities arising from owning and operating vessels in international trade. OPA, which imposes virtually unlimited liability upon shipowners, operators and bareboat charterers of any vessel trading in the exclusive economic zone of the United States for certain oil pollution accidents in the United States, has made liability insurance more expensive for shipowners and operators trading in the United States market. We carry insurance coverage as customary in the shipping industry. However, not all risks can be insured, specific claims may be rejected, and we might not be always able to obtain adequate insurance coverage at reasonable rates.

Hull and Machinery Insurance

We procure marine hull and machinery and war risk insurance, which cover the risk of particular average and actual or constructive total loss for all of the vessels in our fleet. The vessels in our fleet are each covered up to at least fair market value, with deductibles of $500,000 per vessel per incident. We also arranged increased value coverage (Total Loss Insurance) for each vessel. Under this increased value coverage, in the event of total loss of a vessel, we will be able to recover for amounts insured, in addition to sums insured under the hull and machinery policy, up to the total value of the vessel. We generally do not maintain insurance against loss of hire (except for certain charters for which we consider it appropriate), which covers business interruptions as a result of loss of use of a vessel caused by a particular average claim.

Protection and Indemnity Insurance

Protection and indemnity insurance is provided by mutual protection and indemnity associations, or “P&I Associations,” and covers our third-party liabilities in connection with our shipping activities. This includes third-party liability and other related expenses of injury or death of crew, passengers and other third parties, loss or damage to cargo, claims arising from collisions with other vessels, damage to other third-party property, pollution arising from oil or other substances and salvage, towing and other related costs, including wreck removal. Protection and indemnity insurance is a form of mutual indemnity insurance, extended by protection and indemnity mutual associations, or “clubs.”

Our current protection and indemnity insurance coverage for pollution is $1.0 billion per vessel per incident. The 12 P&I Associations that comprise the International Group insure approximately 90% of the world’s commercial tonnage and have entered into a pooling agreement to reinsure each association’s liabilities. The International Group’s website states that the Pool provides a mechanism for sharing all claims in excess of US$ 10 million up to, currently, approximately $8.9 billion. As a member of a P&I Association, which is a member of the International Group, we are subject to calls payable to the associations based on our claim records as well as the claim records of all other members of the individual associations and members of the shipping pool of P&I Associations comprising the International Group.

Competition

We operate in what we refer to as the Nordic American System, which describes our operation of our homogenous Suezmax tanker fleet in markets that are highly competitive and based primarily on supply and demand. We currently operate the majority of our vessels in the spot market. We compete for charters on the basis of price, vessel location, size, age and condition of the vessel, as well as on our reputation as an operator. For more information on the “Nordic American System”, please see “Item 4.A. History and Development of the Company.”

Permits and Authorizations

We are required by various governmental and quasi-governmental agencies to obtain certain permits, licenses and certificates with respect to our vessels. The kinds of permits, licenses and certificates required depend upon several factors, including the commodity transported, the waters in which the vessel operates, the nationality of the vessel's crew and the age of a vessel. We have been able to obtain all permits, licenses and certificates currently required to permit our vessels to operate. Additional laws and regulations, environmental or otherwise, may be adopted which could limit our ability to do business or increase our cost of doing business.

Seasonality

Historically, oil trade and, therefore, charter rates increased in the winter months and eased in the summer months as demand for oil in the Northern Hemisphere rose in colder weather and fell in warmer weather. The tanker industry, in general, has become less dependent on the seasonal transport of heating oil than a decade ago as new uses for oil and oil products have developed, spreading consumption more evenly over the year. This is most apparent from the higher seasonal demand during the summer months due to energy requirements for air conditioning and motor vehicles.

C. Organizational Structure

See Exhibit 8.1 to this Form 20-F for a list of our significant subsidiaries.

D. Property, Plant and Equipment

Please see "Item 4. Information on the Company B. Business Overview—Our Fleet", for a description of our vessels. The vessels are mortgaged as collateral under the 2025 Senior Secured Credit Facility of $150 million and the financing agreements with Ocean Yield AS. Other than our interests in the vessels described above, we do not own any material physical properties.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following management's discussion and analysis should be read in conjunction with our historical financial statements and notes thereto included elsewhere in this report. This discussion contains forward-looking statements that reflect our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as those set forth in the section entitled "Item 3. Key Information—D. Risk Factors" and elsewhere in this annual report.

A. Operating Results

Business overview

Our fleet as of December 31, 2025, consisted of 20 Suezmax crude oil tankers. In 2023, we acquired the 2016 built Nordic Hawk. There were no changes to our fleet during 2024. In 2025 we took delivery of two 2016 build vessels Nordic Galaxy and Nordic Moon. We entered into firm sales agreements for the 2003 built Nordic Apollo, the 2004 built Nordic Castor, the 2004 built Nordic Luna and the 2005 built Nordic Sprinter, but the latter two vessels were only delivered to the buyers in January 2026. Subsequent to December 31, 2025, we also entered into an agreement to purchase two new build suezmax tankers from a South Korean shipyard with delivery in 2028. We have sold two more vessels in 2026, the 2003 build Nordic Pollux and the 2005 build Nordic Skier, where one has been delivered to the new buyer, the other is still pending delivery.

The vessels in our fleet are considered homogenous and interchangeable as they have approximately the same freight capacity and ability to transport the same type of cargo.

YEAR ENDED DECEMBER 31, 2025, COMPARED TO YEAR ENDED DECEMBER 31, 2024

	Years Ended December 31,		
All figures in USD ‘000	**2025**	**2024**	**Variance**
Voyage Revenues	291,690	349,742	-16.60%
Other Income	730	0	NA
Voyage Expenses	(109,880)	(124,646)	-11.85%
Vessel Operating Expenses	(66,938)	(62,809)	6.57%
Depreciation Expenses	(57,735)	(56,151)	2.82%
Gain on Disposal of Vessels	16,621	-	NA
General and Administrative Expenses	(28,143)	(28,825)	-2.37%
Net Operating Income	**46,345**	**77,311**	-40.03%
Interest Income	1,608	731	119.97%
Interest Expenses	(35,752)	(30,739)	16.32%
Other Financial Income (Expenses)	118	(670)	117.61%
Net Income Before Income Taxes	**12,319**	**46,633**	-73.58%
Income Tax Expense (Benefit)	(48)	10	-580%
Net Income	**12,271**	46,643	-73.69%

Management believes that net voyage revenue, a non-GAAP financial measure, provides additional meaningful information because it enables us to compare the profitability of our vessels that are employed under bareboat charters, spot related time charters and spot charters. Net voyage revenues divided by the number of days on the charter provides the Time Charter Equivalent, or TCE, Rate. Net voyage revenues and TCE rates are widely used by investors and analysts in the tanker shipping industry to compare the financial performance of companies and for preparing industry averages. We believe that our method of calculating net voyage revenue is consistent with industry standards. The table below reconciles our net voyage revenues to voyage revenues.

	Years Ended December 31,		
All figures in USD ‘000, except TCE rate per day	**2025**	**2024**	**Variance**
Voyage Revenues	291,690	349,742	-16.60%
Less Voyage expenses	(109,880)	(124,646)	-11.85%
Net Voyage Revenue	**181,810**	**225,096**	-19.23%
Vessel Calendar Days (1)	7,312	7,320	-0.11%
Less off-hire days	744	197	277.66%
Total TCE days	**6,568**	**7,123**	**-7.79%**
TCE Rate per day (2)	**27,681**	**31,603**	**-12.41%**

(1) Vessel Calendar Days is the total number of days the vessels were in our fleet.

(2) Time Charter Equivalent, or TCE, Rate, results from Net Voyage Revenue divided by total TCE days.

Voyage Revenues decreased by $58.1 million, or 16.60%, from $349.7 million in 2024 to $291.7 million in 2025 as a result of decreased tanker rates in 2025 compared to 2024.

The change in Net Voyage Revenue is due to two main factors:

i) The number of TCE days
ii) The change in the TCE rate achieved.

Number of vessel calendar days decreased by 0.11%. Two vessels were sold and two vessels were added to the fleet in 2025 and these additional vessels commenced operations from May 2025.

With regards to i), the increase of 565 days in offhire was a result of 6 of our vessels undergoing planned maintenance in 2025 compared to 3 vessels in 2024.

With regards to ii), the TCE rate per day decreased by $3,922 or 12.4%, from $31,603 in 2024 to $27,681 in 2025. The indicative rates presented by Clarkson Research increased by 15.2% for the twelve months of 2025 compared to the same twelve months in 2024 to $54,709 from $47,473, respectively. Our TCE rate per day decreased in the same period on a year-over-year basis, as some voyages with lowered rates booked in the fourth quarter of 2024 materialized in the first quarter of 2025 before the rates increased in the fourth quarter of 2025. Further, in the same manner as in 2024, the indicative rates presented by Clarkson Research for 2025 are an average of observations and routes, and some of the trade routes going into the average are routes involving Russian oil trade and as such not routes representing an average for all market participants.

As a result of i) and ii) net voyage revenues decreased by 16.6% from $349.742 million for the year ended December 31, 2024, to $291.690 million for the year ended December 31, 2025.

Voyage expenses decreased to $109.9 million from $124.6 million, or -11.8%. Voyage expenses mainly consist of bunkers, port charges, canal passages and commissions and the most influential cost is the cost of bunkers. Cost of bunkers is influenced by actual consumption in a year and the price of the fuel. With an 18.9% reduction in revenue, one might have expected a corresponding decrease in costs. However, with the implementation of the EU Emission Trading System (EU ETS), together with the implementation of Fuel EU Maritime, this has resulted in increased costs of $5.7 million, which represents 5.2% of the total costs.

Vessel operating expenses increased by $4.1 million, or 6.5%, from $62.8 million in 2024 to $66.9 million in 2025, and reflects that the number of dry-docking days increased for our fleet in 2025 compared to 2024. In cooperation with our technical managers, we maintain our focus on keeping the fleet in top technical condition whilst keeping costs low.

General and administrative expenses decreased by $0.7 million from $28.8 million to $28.1 million for the year ended December 31, 2024, to December 31, 2025. Employee compensation costs, including bonuses, continued to represent a significant component of these expenses, however, there were changes in the composition and timing of bonus payments, including increased employee retention bonuses which were deferred over the contractual retention period deferrals, compared to the prior year.

Depreciation expenses increased by $1.6 million, or 2.9%, from $56.1 million in 2024 to $57.7 million in 2025. The increase was primarily driven by higher capitalized expenditures on steel and a greater number of vessels undergoing dry-docking in 2025 compared to 2024, which elevated depreciation per quarter. The addition of two new vessels in April 2025, which carry a higher depreciation rate than the two vessels that exited the fleet, further contributed to the overall increase.

Gain on disposal of vessels amounted to $16.6 million in 2025, compared to no gain in 2024. The gain in 2025 relates to the sale of two vessels, Nordic Apollo and Nordic Castor. There were no corresponding vessel sales in 2024.

Interest income increased from $0.7 million in 2024 to $1.6 million in 2025, or 120.0%, as we earned more interest on bank deposits during 2024 than in 2025.

Interest expenses increased by $5.0 million, or 16.3%, from $30.7 million in 2024 to $35.7 million in 2025. The increase was primarily driven by the acquisition of an additional vessels in April 2025, financed with Ocean Yield, as well as the refinancing of the 2018-built vessels with the same lender. The refinancing of the 2018-built vessels generated additional cash proceeds of $46.0 million. In February we refinanced the facility we had with Beal Bank, provided further $78.5 million in additional liquidity. Together, these transactions resulted in higher interest expenses in 2025 compared to 2024.

YEAR ENDED DECEMBER 31, 2024, COMPARED TO YEAR ENDED DECEMBER 31, 2023

	Years Ended December 31,		
All figures in USD ‘000	**2024**	**2023**	**Variance**
Voyage Revenues	349,742	391,687	-10.7%
Voyage Expenses	(124,646)	(129,507)	-3.8%
Vessel Operating Expenses	(62,809)	(60,003)	4.7%
Impairment Loss on Vessels	-	-	N/A
Depreciation Expenses	(56,151)	(51,397)	9.2%
Gain on Disposal of Vessels	-	-	N/A
General and Administrative Expenses	(28,825)	(22,890)	25.9%
Net Operating Income	**77,311**	**127,890**	-39.5%
Interest Income	731	1,302	-43.9%
Interest Expenses	(30,739)	(30,498)	0.8%
Other Financial Income (Expenses)	(670)	137	589.1%
Net Income Before Income Taxes	**46,633**	**98,831**	-52.7%
Tax Income (Expenses)	10	(120)	-107.5%
Net Income	**46,643**	**98,711**	-52.8%

Management believes that net voyage revenue, a non-GAAP financial measure, provides additional meaningful information because it enables us to compare the profitability of our vessels that are employed under bareboat charters, spot related time charters and spot charters. Net voyage revenues divided by the number of days on the charter provides the Time Charter Equivalent, or TCE, Rate. Net voyage revenues and TCE rates are widely used by investors and analysts in the tanker shipping industry to comparing the financial performance of companies and for preparing industry averages. We believe that our method of calculating net voyage revenue is consistent with industry standards. The table below reconciles our net voyage revenues to voyage revenues.

	Years Ended December 31,		
All figures in USD ‘000, except TCE rate per day	**2024**	**2023**	**Variance**
Voyage Revenues	349,742	391,687	-10.7%
Less Voyage expenses	(124,646)	(129,507)	-3.8%
Net Voyage Revenue	**225,096**	**262,180**	-14.1%
Vessel Calendar Days (1)	7,320	6,917	5.8%
Less off-hire days	197	447	-55.9%
Total TCE days	**7,123**	**6,470**	**10.1%**
TCE Rate per day (2)	**$ 31,603**	**$ 40,522**	**-22.0%**

(1) Vessel Calendar Days is the total number of days the vessels were in our fleet.

(2) Time Charter Equivalent, or TCE, Rate, results from Net Voyage Revenue divided by total TCE days.

Voyage Revenues decreased by $42.0 million, or 10.7%, from $391.7 million in 2023 to $349.7 million in 2024 as a result of decreased tanker rates in 2024 compared to 2023.

The change in Net Voyage Revenue is due to two main factors:

i) The number of TCE days
ii) The change in the TCE rate achieved.

Number of vessel calendar days increased by 5.8%. One vessel was added to the fleet in late 2023 and this additional vessel has come in with full effect in 2024.

With regards to i), the decrease of 250 days in offhire days was a result of less vessels undergoing planned maintenance in 2024 compared to 2023.

With regards to ii), the TCE rate per day decreased by $8,919, or 22.0%, from $40,522 in 2023 to $31,603 in 2024. The indicative rates presented by Clarkson Research decreased by 15.5.% for the twelve months of 2024 compared to the same twelve months in 2023 to $47,188 from $55,847, respectively. Our TCE rate per day decreased more in percentage than the indicative rates presented by Clarkson Research on a year-over-year basis, as some voyages with lowered rates booked in the fourth quarter of 2023 materialized in the first quarter of 2024. Further, in the same manner as in 2023, the indicative rates presented by Clarkson Research for 2024 are an average of observations and routes, and some of the trade routes going into the average are routes involving Russian oil trade and as such not routes representing an average for all market participants.

As a result of i) and ii) net voyage revenues decreased by 14.1% from $262.2 million for the year ended December 31, 2023, to $225.1 million for the year ended December 31, 2024.

Voyage expenses decreased to $124.6 million from $129.5 million, or 3.8%. Voyage expenses mainly consist of bunkers, port charges and commissions and the most influential cost is the cost of bunkers. Cost of bunkers is influenced by actual consumption in a year and the price of the fuel. The decrease in voyage expenses in 2024 was primarily due to a decrease of $6.0 million in port charges and a decrease in commission of $1.3 million. With a 10.7% reduction in revenue, one might have expected a corresponding decrease in costs. However, with the implementation of the EU ETS, this has resulted in increased costs of $2.5 million, which represents 2% of the total costs.

Vessel operating expenses increased by $2.8 million, or 4.7%, from $60.0 million in 2023 to $62.8 million in 2024, and reflects that the number of vessel calendar days for our fleet were increased in 2024 compared to 2023. In cooperation with our technical managers, we maintain our focus on keeping the fleet in top technical condition whilst keeping costs low.

General and administrative expenses increased by $5.9 million, or 25.9%, from $22.9 million in 2023 to $28.8 million in 2024. This increase was primarily driven by higher employee compensation costs, particularly bonuses. Bonuses paid to management and staff rose by $5.7 million, or 937.5%, from $0.6 million in 2023 to $6.3 million in 2024, accounting for the substantial majority of the overall increase in general and administrative expenses.

Depreciation expenses increased by $4.8 million, or 9.2%, from $51.4 million in 2023 to $56.2 million in 2024. The increase in 2024 compared to 2023 is primarily a result of the addition of one vessel in December 2023 that is depreciated for the full year in 2024.

Interest income decreased from $1.3 million in 2023 to $0.7 million in 2024, or 43.9%, as we earned more interest on bank deposits during 2023 than in 2024.

Interest expenses increased by $0.2 million, or 0.8%, from $30.5 million in 2023 to $30.7 million in 2024. The increase is due to purchase of on additional vessel December 2023, financed with Ocean Yield.

Inflation

Construction cost and periodical maintenance costs for oil tankers tend to fluctuate with the cyclicality in raw material costs, especially the price of steel and copper, and the general demand for shipbuilding services. Newbuilding prices for oil tankers have increased further in 2025 as a result of full orderbooks at the shipyards for the coming years and an optimistic outlook for many shipping segments. Operating costs for oil tankers have been stable with little or moderate inflation over the years, and our operating cost in 2025 have been in line with previous years. However, there is currently inflationary pressure in most parts of the world, and we are monitoring this closely. The shipping industry has historically been able to absorb and neutralize significant cost increases related to operation of the vessels. However, oil transportation is a specialized area and if number of vessels where to increase significantly, increased demand for qualified crew can be expected, potentially putting pressure on crew cost. A general cost inflation in the world could impact the shipping industry and put inflationary pressure on cost items such as, but not limited to crew costs, spare parts, maintenance, insurance etc.

B. Liquidity and Capital Resources

We operate in a cyclical and capital-intensive industry. Our fleet of Suezmax tankers are financed through a combination of earnings generated from operations, equity and borrowings.

Our main liquidity requirements are related to voyage cost and operating cost for our vessels, repayments of loans and related interest charges, general and administration cost, capital expenditure for our vessels including an equity portion on investment in newbuildings and second-hand vessels from time to time and working capital needs. We believe our working capital is sufficient to cover our short-term/present requirements.

We have a policy of distributing dividends on a quarterly basis and we have distributed dividends for 114 consecutive quarters. Our dividend distributions are normally a reflection of the earnings taking into account other capital commitments and working capital needs. We refer to the description of our Dividend Policy in Item 8. Financial Information, A. Consolidated Statements and other Financial Information.

We refer to further information below and in “Item 5. Operating and Financial Review and Prospects—F. Tabular Disclosure of Contractual Obligations” for disclosure of Contractual Obligations and Financing Agreements.

Our Borrowing Activities

On February 12, 2019, we entered into the $306 million 2019 Senior Secured Credit Facility using twenty of our vessels at that time, built before year 2017, as collateral. On December 16, 2020, we entered into a loan agreement for $30.0 million that is considered an accordion loan under the 2019 Senior Secured Credit Facility loan agreement. Six of the vessels used as collateral have been sold and as of December 31, 2024, there were 14 vessels built from 2003 to 2017 used as collateral for the outstanding loan balance as of that date.

The three 2018-built vessels, the two newbuildings delivered to us in 2022 and the 2016-built Nordic Hawk that was delivered to us in December 2023, are all financed through Ocean Yield AS.

We refer to further description of the financing arrangements below.

2019 Senior Secured Credit Facility and $30 million Accordion Loan

On February 12, 2019, we entered into a five-year senior secured credit facility for $306.1 million, or the 2019 Senior Secured Credit Facility. Borrowings under the 2019 Senior Secured Credit Facility are secured by first-priority mortgages over fourteen vessels built in the period from 2003 to 2017 and assignments of earnings and insurance. The loan is amortizing with a twenty-year maturity profile and carries a floating interest rate. The loan had an original maturity date in February 2024 that was extended to February 2025.

On December 16, 2020, we entered into a new loan agreement for the borrowing of $30.0 million, or the $"$30 million Accordion Loan. The loan is considered an accordion loan to the 2019 Senior Secured Credit Facility loan agreement and has the same amortization profile, carries a floating interest rate and matures in February 2025. Excess cash flow payments as described above are applied to the balance of the 2019 Senior Secured Credit Facility before being applied to the $30 million Accordion Loan. The security of the loan is attached to the security of the 2019 Senior Secured Credit Facility and has equal priority, same financial covenants and repayment clauses.

On February 6, 2025, we signed a new agreement for a five-year Senior Secured Credit Agreement with new terms, referred to as the Amended and Restated Agreement. Termination date was set to February 13, 2029. The Amended and Restated Facility is in the amount of $150 million and is a single loan with security in 7 suezmax vessels, referred to as "the Revised Collateral". Other vessels that were secured under the old facility is no longer part of the lender`s collateral. There is also a delayed draw facility incorporated into the facility in the amount of $100 million to be used for additional fleet expansion on a 50% Loan to Value ratio "LTV" basis which gives the company flexibility going forward with mandatory prepayments unless waived by lender. The Amended and Restated Agreement includes a minimum liquidity covenant of $20.0 million and a loan-to-vessel value ratio of maximum 70%. Further, on a half year basis the agreement contains an Excess Cash mechanism that will be calculated based as the total aggregate revenue from the Vessels, less: (i) amounts due to the Lenders/Agent, and (ii) fixed amounts agreed upon by the Borrowers and the Lenders on the Closing Date expressed on a per Vessel, per day basis, which fixed amount represents the estimated direct operating expenses, capital expenditures, and G&A in respect of the Vessels. The actual percentage of Excess Cash to be a Mandatory Prepayment shall be determined at the time of such Excess Cash sweep based upon the then LTV.

We have repaid $8.2 million on the facilities in the twelve months ended December 31, 2025, and we had $142.8million and $72.6 million borrowed under our Amended and Restated Agreement as of December 31, 2025, and December 31, 2024, respectively.

As of December 31, 2025, we have presented $0.9 million, net of deferred financing costs of $0.07 million, under Current Portion of Long-Term Debt. The Excess Cash Flow payment generated from the earnings in the fourth quarter of 2025 has been waived by the lender due to immaterial amount.

Subsequent to December 31, 2025, we have repaid in total $2.5 million and the total outstanding balance as of the date of this report is $140.33 million.

Financing of 2018-built Vessels

We have three 2018-built vessels delivered from Samsung shipyard. Under the original terms of the financing agreements for these vessels, the lender provided financing of 77.5% of the purchase price for each vessel. Upon delivery, we commenced ten-year bareboat charter agreements, and we were obligated to purchase each vessel for a consideration of $13.6 million upon completion of the ten-year charter period, with an option to purchase the vessels after eighty-four months. These purchase options must be declared six months prior to each vessel's anniversary, and the eighty-four-month options expired during 2025. The original financing agreements included interest charges based on a floating Secured Overnight Financing Rate, or (SOFR, element that is), subject to annual adjustment, plus a margin of 4.52% and a credit adjustment spread of 0.26%. These agreements also contain financial covenants requiring us to maintain, on a consolidated basis, minimum value adjusted equity of $175.0 million, a minimum value adjusted equity ratio of 25%, minimum liquidity of $20.0 million, and compliance with a minimum vessel value to outstanding lease ratio. In May 2025, we entered into an amendment to the existing loan agreements for these three vessels, which had an outstanding balance of approximately $75 million at the time. The amendment provided for an increase in principal of approximately $15 million per vessel and extended the maturity of the loans by 60 months from the original due dates. Under the amended agreement dated May 28, 2025, the interest margin was reduced to 3.70%, the maturity profile extended to 2023, and the final balloon payment adjusted accordingly, thereby improving the overall debt profile and liquidity position related to these vessels. The financing agreement contains certain financial covenants requiring us to on a consolidated basis to maintain a minimum liquidity of $20.0 million and a minimum vessel value to outstanding lease clause.

The outstanding amounts under this financing arrangement were $113.4 million and $78.1 million as of December 31, 2025, and 2024, respectively, where $10.7 million and $9.3 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

Financing of 2022-built Vessels

The two vessels, Nordic Harrier and Nordic Hunter, were delivered to us in 2022. Under the terms of the financing agreements, the lender provided financing of 80.0% of the purchase price for each of the two vessels. Upon delivery of each of the vessels, we commenced ten-year bareboat charter agreements. We have obligations to purchase the vessels upon the completion of the ten-year bareboat charter agreements for a consideration of $16.5 million for each vessel, and we also have the option to purchase the vessels after sixty and eighty-four months. The financing agreements include interest charges composed of a floating SOFR element that is subject to quarterly adjustment, plus a margin of 4.50% and a credit adjustment spread of 0.26%. The financing agreements contain certain financial covenants requiring us to on a consolidated basis to maintain a minimum liquidity of $20.0 million and a minimum vessel value to outstanding lease clause.

The outstanding amounts under this financing arrangement were $68.3 million and $73.8 million as of December 31, 2025, and 2024, respectively, where $5.4 million and $5.4 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

Financing of Nordic Hawk

The 2016-built vessel, Nordic Hawk, was delivered to us in December 2023. Under the terms of the financing agreement, the lender provided financing of 75.0% of the purchase price. Upon delivery of the vessel, we entered into an eight-year bareboat charter agreement. We have an obligation to purchase the vessel for $5.9 million upon the completion of the eight-year bareboat charter agreement and we have the option to purchase the vessel after sixty and eighty-four months. The financing agreement has an interest rate as of December 31, 2024, that is composed of a floating term SOFR element subject to quarterly adjustments and a margin of 4.76%. The financing agreement contains certain financial covenants requiring us on a consolidated basis to maintain a minimum liquidity of $20.0 million and a minimum vessel value to outstanding lease clause.

The outstanding amounts under this financing arrangement were $41.5 million and $47.5 million as of December 31, 2025, and 2024, respectively, where $5.9 million and $5.9 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

Financing of Nordic Galaxy and Nordic Moon (2016 build vessels)

The 2016-build vessels, Nordic Galaxy and Nordic Moon, were delivered to us in April 2025. Under the terms of the financing agreement, the lender provided financing of 50% of the purchase price. Upon delivery of the vessel, we entered into an eight-year bareboat charter agreement. We have an obligation to purchase the vessels for $8.7 million upon the completion of the eight-year bareboat charter agreement and we have the option to purchase the vessel after sixty and eighty-four months. The financing agreement has an interest rate as of December 31, 2025, that is composed of a floating term SOFR element subject to quarterly adjustments and a margin of 3.70%. The financing agreement contains certain financial covenants requiring us on a consolidated basis to maintain a minimum liquidity of $20.0 million and a minimum vessel value to outstanding lease clause.

The outstanding amounts under this financing arrangement were $61.7 million as of December 31, 2025, where $6.0 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

Financing of the two newbuildings on order for delivery in 2028

We have not yet entered into any financing agreement for these two vessels ordered after year-end 2025. We expect to have financing in place well in time of delivery in 2028.

Equity

On September 29, 2021, we entered into an equity distribution agreement with B. Riley Securities, Inc, acting as sales agent, under which the Company may, from time to time, offer and sell common stock through an At-the-Market Offering, or the $60 million 2021 ATM, program having an aggregate offering price of up to $60,000,000. In the year ended December 31, 2021, we raised gross and net proceeds (after deducting sales commissions and other fees and expenses) of $22.3 million and $21.7 million, respectively, by issuing and selling 10,222,105 common shares. In 2022, we raised gross and net proceeds of $16.9 million and $16.5 million, respectively, by issuing and selling 10,764,990 common shares. The $60 million 2021 ATM was terminated on February 14, 2022, after having utilized $39.2 million of the program.

On February 14, 2022, we entered into a new equity distribution agreement with B. Riley Securities, Inc, acting as sales agent, under which the Company may, from time to time, offer and sell common stock through an At-the-Market Offering, or the $60 million 2022 ATM, program having an aggregate offering price of up to $60,000,000. In the year ended December 31, 2022, we raised gross and net proceeds of $33.6 million and $32.7 million, respectively, by selling and issuing 14,337,258 commons shares. No shares were issued in 2023. During 2024, we have issued 2,954,219 shares and the remaining available balance after this was $17.3 million under this ATM. This ATM was subsequently cancelled and the available balance not utilized, upon the 3-year expiry of the Shelf F-3 registration statement on February 14, 2025.

On March 11, 2025, we filed a new $60 million ATM that was a part of the F-3 filing of the same date. The F-3 filing and subsequently the ATM was made effective on March 31, 2025. No shares have been issued under this new ATM.

Liquidity and covenant compliance

Cash, restricted cash and cash equivalents are predominantly held in U.S. Dollars and cash and cash equivalents was $45.9 million and $44.4 million as of December 31, 2025, and December 31, 2024, respectively. Minor cash balances are held in NOK and EUR. Restricted cash was nil million and $5.2 million as of December 31, 2025, and December 31, 2024, respectively. The restricted cash deposit was nominated and available for use for drydocking and other capex commitments related to the vessels used as collateral under the 2019 Senior Secured Credit Facility and we will no longer report this amount, as it is no longer a requirement under the 2025 Senior Secured Credit Facility – as amended and restated.

We monitor compliance with our financial covenants on a regular basis and as of December 31, 2025, we were in compliance with the financial covenants in our debt facilities. Historically, our financial minimum liquidity covenant of $20.0 million is the most sensitive covenant. We had a cash balance as of December 31, 2025, of $45.9 million.

On a regular basis, the Company performs cash flow projections to evaluate whether it will be in a position to cover the liquidity needs for the next 12-month period and the compliance with financial and security ratios under its existing and future financing agreements. In developing estimates of future cash flows, the Company makes assumptions about the vessels' future performance, market rates, operating expenses, capital expenditure, fleet utilization, general and administrative expenses, loan repayments and interest charges. The assumptions applied are based on historical experience and future expectations.

We prepare cash flow projections for different scenarios and a key input factor to the cash flow projections is the estimated freight rates. We apply an average of several broker estimates in combination with own estimates for the coming 12-months' period. The average freight rates achieved in 2025 have been strong compared to the historical long-term average freight rates achieved by the Company. As such, the Company has generated significant positive cash flows from operations that could be used for dividends, investments, or repayment of outstanding loan balances.

Given the strong market conditions, the availability of secured financing, a number of unencumbered vessels, and the renewed at-the-market (ATM) program, the Company believes it is well-positioned financially to meet its obligations and support future growth.

Contractual Obligations

The Company's contractual obligations as of December 31, 2025, consisted mainly of our obligations as borrower under the 2025 Senior Secured Credit Facility, amended and restated and our obligations related to financing of our eight vessels with Ocean Yield.

The following table sets out financing and contractual obligations outstanding as of December 31, 2025.

Contractual Obligations in $'000s	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Senior Secured Credit Facility Amended and restated $150 million (1)	142,781	7,500	15,000	120,281	-
Interest Payments (2)	35,581	12,120	22,195	1,266	-
Financing of 2018-build Vessels (3)	113,394	11,061	22,151	22,121	58,061
Interest Payments (4)	40,214	8,139	13,718	10,397	7,961
Financing of 2022-built Vessels (5)	68,344	5,500	11,015	11,000	40,830
Interest Payments (6)	27,816	5,658	9,885	7,997	4,276
Financing of Nordic Hawk (7)	41,524	6,000	12,016	12,000	11,508
Interest Payments (8)	12,362	3,360	5,159	3,102	740
Financing of Nordic Galaxy/Moon (9)	61,667	6,083	12,183	12,166	31,235
Interest Payments (10)	21,778	4,444	7,503	5,668	4,196
Operating Lease Liabilities (11)	325	325	-	-	-
Total	565,821	70,190	130,825	205,999	158,807

Notes:

(1) Refers to obligation to repay indebtedness outstanding under the 2025 Amended and restated Senior Secured Credit Facility.

(2) Refers to the estimated interest payments over the term of indebtedness outstanding under the 2025Amended and restated Senior Secured Credit Facility of December 31, 2025. Estimate is based on applicable interest rate, agreed amortization and balance outstanding as of December 31, 2025.

(3) Refers to obligation to repay indebtedness outstanding as of December 31, 2025, for three 2018-built vessels.

(4) Refers to estimated interest payments over the term of the indebtedness outstanding as of December 31, 2025, for the amended financing of the three 2018-built vessels. Estimate is based on applicable interest rate as of December 31, 2025. The SOFR element included in the interest rates are adjusted on a quarterly basis.

(5) Refers to obligation to repay indebtedness outstanding as of December 31, 2025, for the two 2022-built Vessels.

(6) Refers to estimated interest payments over the term of the indebtedness outstanding as of December 31, 2025, for the financing of the two 2022-built Vessels. Estimate is based on applicable interest rate as of December 31, 2025. The SOFR element included in the interest rates are adjusted on a quarterly basis.

(7) Refers to obligation to repay indebtedness outstanding as of December 31, 2025, for the 2016-built vessel, Nordic Hawk.

(8) Refers to estimated interest payments over the term of the indebtedness outstanding as of December 31, 2025, for the financing of the 2016-built vessel, Nordic Hawk. Estimate is based on applicable interest rate as of December 31, 2025. The SOFR element included in the interest rates is adjusted on a quarterly basis.

(9) Refers to obligation to repay indebtedness outstanding as of December 31, 2025, for the 2016-built vessel, Nordic Galaxy and Nordic Moon.

(10) Refers to estimated interest payments over the term of the indebtedness outstanding as of December 31, 2025, for the financing of the 2016-built vessel, Nordic Galaxy and Nordic Moon. Estimate is based on applicable interest rate as of December 31, 2025. The SOFR element included in the interest rates is adjusted on a quarterly basis.

(11) Refers to the future obligation as of December 31, 2025, to pay for operating lease liabilities at nominal values.

As of December 31, 2025, we do not have any liabilities, contingent or otherwise, that we would consider to be off-balance sheet arrangements.

Cash Flows

The following table shows our net cash flows from operating, investing and financing activities for the periods ended December 31, 2025, 2024 and 2023.

All figures in USD '000	**2025**	**2024**	**2023**
Net Cash Provided by Operating Activities	19,824	128,158	139,445
Net Cash Used in Investing Activities	(87,699)	(2,620)	(73,670)
Net Cash Provided by / (Used In) Financing Activities	68,993	(115,051)	(95,672)
Net Increase / (Decrease) in Cash, Cash Equivalents and Restricted cash	1,118	10,487	(29,897)
Cash, Cash Equivalents and Restricted Cash at Beginning of Year	44,384	33,361	63,302
Effect of Exchange Rate Changes on Cash and Cash Equivalents	361	536	(44)
Cash, Cash Equivalents and Restricted Cash at End of Year	**45,863**	**44,384**	**33,361**

YEAR ENDED DECEMBER 31, 2025, COMPARED TO YEAR ENDED DECEMBER 31, 2024

Cash flows provided by operating activities decreased to $19.8 million for the year ended December 31, 2025, from $128.22 million for the year ended December 31, 2024. The change in cash flows provided by operating activities was primarily due to decreases in market rates achieved in 2025 compared to 2024.

Cash flows used in investing activities increased to $87.7 million for the year ended December 31, 2025, compared to $2.6 million for the year ended December 31, 2024. The increase of cash flow used in investing activities was primarily due to the acquisition of two 2016 build vessels.

Cash flows provided by financing activities increased to $68.9 million for the year ended December 31, 2025, compared to cash flow used in financing activities of $115.1 million for the year ended December 31, 2024. The increase was primarily due to proceeds from borrowing activities received in 2025 related to refinancing of the Senior Secured Credit Facility with Beal Bank and the refinancing of the three 2018-build vessels financed through Ocean Yield.

The cash, restricted cash and cash equivalents was $45.9 million as of December 31, 2025.

YEAR ENDED DECEMBER 31, 2024, COMPARED TO YEAR ENDED DECEMBER 31, 2023

Cash flows provided by operating activities decreased to $128.2 million for the year ended December 31, 2024, from $139.4 million for the year ended December 31, 2023. The change in cash flows provided by operating activities was primarily due to decreases in market rates achieved in 2024 compared to 2023.

Cash flows used in investing activities decreased to $2.62 million for the year ended December 31, 2024, compared to $73.7 million for the year ended December 31, 2023. The decrease of cash flows used in investing activities was primarily due to the acquisition of one new vessel in 2023 and no additions to the fleet during 2024.

Cash flows used in financing activities increased to ($115.1) million for the year ended December 31, 2024, compared to cash flow provided by financing activities of ($95.7) million for the year ended December 31, 2023. The increase was primarily due to proceeds from borrowing activities received in 2023 related to acquisition of one new vessel in 2023, compared to no new borrowings in 2024.

The cash, restricted cash and cash equivalents was $44.4 million including $5.2 million in restricted cash as of December 31, 2024.

C. Research and Development, Patents and Licenses, Etc.

Not applicable.

D. Trend Information

The oil tanker industry has been highly cyclical, experiencing volatility in charter hire rates and vessel values resulting from changes in the supply of and demand for crude oil and tanker capacity. See “Item 4. Information on the Company—B. Business Overview –The International Tanker Market.”

E. Critical Accounting Estimates

We prepare our financial statements in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. On a regular basis, management reviews the accounting policies, assumptions, estimates and judgments to ensure that our consolidated financial statements are presented fairly and in accordance with U.S. GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material. For a description of our material accounting policies, please read Item 18. Financial Statements Note 2 - Summary of Significant Accounting Policies.

Revenues and voyage expenses

Revenues are recognized on an accrual’s basis over the duration of each spot charter. For vessels operating on spot charters, voyage revenues are recognized ratably over the estimated length of each voyage, calculated on a load-to-discharge basis under ASC 606 and, therefore, are allocated between reporting periods based on the relative transit time in each period, and revenue is therefore recognized on a pro-rata basis commencing on the date that the cargo is loaded and concluded on the date of discharge of the cargo. Voyage expenses are capitalized between the discharge port of previous cargo, or contract date if later, and the load port of the cargo to be chartered if they qualify as fulfilment costs. Incremental cost to obtain a contract is capitalized and amortized on a straight-line basis over the estimated length of each voyage, calculated on a load-to-discharge basis, in line with fulfilment of the performance obligation. Voyage expenses are recognized when such costs are incurred. We do not capitalize fulfilment cost or recognize revenue when a charter has not been contractually committed to by a customer.

Vessels – Depreciation, Impairment, Useful life and Residual values

The carrying value of the Company’s vessels reflects each vessel’s original cost price at the time it was acquired less accumulated depreciation calculated using an estimated useful life of 25 years from the date of delivery from the shipyard. Depreciation is calculated based on cost less estimated residual value using the straight-line method. The carrying values of the Company’s vessels may not represent their fair value at any point in time since the market prices of second-hand vessels tend to fluctuate with changes in charter rates and the cost of newbuildings. Historically, both charter rates and vessel values tend to be cyclical.

Our vessels are evaluated for possible impairment whenever events or changes in circumstances indicate that the carrying amount of a vessel may not be recoverable. Undiscounted future cash flows are estimated on a vessel-by-vessel basis if events or circumstances indicate that carrying amounts may not be recoverable. If the estimated undiscounted future cash flows expected from continued use of the vessel and its eventual disposal is less than the carrying amount of the vessel, the vessel is deemed to be impaired. When applicable, we also consider if there are other factors that impact the probability for disposal of a vessel at its fair value before the end of its useful life. If a vessel is deemed to be impaired, the impairment charge is recognized based on the difference between the fair value of the vessel and its carrying value. Fair value is based on broker estimates that could be adjusted if there are actual entity-specific comparable transactions available. A new cost basis is established if the vessel’s carrying value is reduced after impairment charge is recorded.

As of December 31, 2025, we have considered as a first step whether there were events or changes in circumstances that may indicate that the carrying value of our vessels may not be recoverable including a consideration of whether any of the key forward-looking assumptions applied in an impairment analysis, which include preparing estimates of future undiscounted cash flows, have developed negatively. There are several positive factors identified in the areas we closely monitor, such as (1) the improved freight rates that materialized in the second half of 2025 have continued in 2026, (2) broker estimates for the coming years predict freight rates significantly above historical earnings, (3) an order book for Suezmax tankers that is still considered muted and (4) vessel values experienced a decline during the period but has continued to uphold at solid levels that do not trigger impairment under applicable accounting standards. As a result, no indicators of impairment were identified in 2025.

When impairment indicators are identified, we develop estimates of future undiscounted cash flows, where we make assumptions and estimates about the vessels' future performance, with the significant assumptions being related to charter rates, fleet utilization, operating expenses, capital expenditures/periodical maintenance, residual value and the estimated remaining useful life of each vessel. Many of these assumptions are relatively stable over time. However, charter rates are volatile and require management to apply significant judgment when assessing if impairment indicators are present, and when they are, for estimating future charter rates when preparing estimates of undiscounted cash flows.

The assumptions used to develop estimates of future undiscounted cash flows, when necessary, are based on historical trends as well as future expectations. The estimated net operating revenues are determined by considering an estimated daily time charter equivalent for the remaining operating days over the useful life of the vessel. The daily time charter equivalent rates are converted to annual forecasted revenues by multiplying the daily rate by the number of days in the year less days for expected off-hire and dry-docking. Although the Company believes that the assumptions used to evaluate potential impairment are reasonable and appropriate, such assumptions are subjective. There can be no assurance whether the actual outcome will be close to the estimates and assumptions applied, as the tanker market is volatile in respect of both vessel values and charter rates, and we might experience changes in demand for transportation services, oil production, regulations and the size of the global tanker fleet.

The most important assumption in determining undiscounted cash flows, when necessary, is the estimated charter rates. Charter rates are volatile, and the analyses have in prior periods been based on market rates obtained from third parties, in combination with historical rates achieved by us. We have historically applied an estimated daily time charter equivalent based on an average of several broker estimates for the first two years of our analysis. For the remaining period from year three and to the end of the useful life of each vessel, we have historically applied a daily time charter equivalent equaling the trailing fifteen-year historical company-specific average spot market rate. The broker estimates applied in year one and two are considered a more precise forecast as it captures the shorter-term expected market development of our business. The broker estimates are normally not available for a period exceeding two years. For year 3 and beyond, we believe that the 15-year historical company-specific average is a reasonable proxy for our expected cash flows as this average is most likely to encompass the charter rate cycles that our vessels will experience. We also monitor other external and internal factors including, but not limited to, our market capitalization, industry regulations, cost of operating the vessels and technological developments.

When we calculate the expected undiscounted net cash flows for the vessels, we deduct operating expenses and expected cost of dry-docking and other expected capital expenditures from the operating revenues before adding an estimated residual value of the vessel at the end of its useful life. The operating expenses applied are based on the forecasted operating cost for the vessels, which is adjusted in subsequent periods for expected growth. We have historically applied a compounded growth factor to the operating expenses, which is calculated based on the average increase in our operating expenses over the last fifteen years. Estimated cash outflows for dry-docking are based on historical and forecasted expenditure. Vessel utilization is based on historical average levels achieved. The residual value applied is a long-term estimate based on an estimated market price of scrap per ton multiplied by lightweight tonnage of the vessel, less estimated cost associated with scrapping the vessel. The scrap price applied is less than the prevailing scrap price for steel and is based on observation over a longer period of time to capture both peaks and troughs in metal prices. A residual value of $8.0 million has been applied for depreciation purposes in the financial year ended December 31, 2025. All vessels are maintained for and assumed to have a useful life of 25 years.

Further, we consider if there are present factors that impact the probability of disposal of a vessel before the end of its estimated useful life. These factors could include the current price of second-hand vessels, expected capital expenditure, prevailing freight rates and the price of oil. As of December 31, 2025, two vessels were classified as held for sale, with the remaining vessels classified as held for use.

Our fleet of Suezmax vessels has experienced a positive valuation trend over the past several years, with values at the end of 2025 exceeding those observed in 2024 and 2023. The increase in vessel values has been primarily driven by strong freight rates in the Suezmax tanker market, increased tonne-mile, demand linked to ongoing geopolitical developments, and a relatively constrained supply of modern tonnage. In addition, higher newbuilding costs, including increased steel prices and shipyard capacity have supported secondhand vessel values. Market activity has continued to be robust, reflecting sustained investor interest in tanker assets.

Estimates of market value assume that vessels are in good and seaworthy condition without need for repair and would be certified in class without notations of any kind. Most oil companies require CAP 2 notation or better. All relevant vessels in our fleet have CAP1 notation for Hull, as well as Machinery & Cargo. CAP is an abbreviation for Condition Assessment Program. The quality of the NAT fleet is at the top as evidenced by our vetting statistics, that is, inspections of our ships by clients. In such vetting processes, safety for our crew, the environment and our assets are main considerations.

We believe that our fleet should be valued as a transportation system as it is not meaningful under our strategy to solely assess the value of each individual vessel and view the valuation of the Company solely based upon net asset value, or NAV, a measure that only is linked to the steel value of our ships. We have our own ongoing system value with a large and homogenous fleet allowing us to offer our transportation services to our clients across the globe, well-functioning processes and established customer relationships with oil majors and other reputable customers.

The carrying value of our vessels as of December 31, 2025, is $784.22 million, including the two vessels classified as held for sale as of December 31, 2025. We have obtained broker estimates from two independent shipbrokers indicating a fair market value of our vessels held and used on a charter free basis to be $1,096.00 million, based on an average of the two estimates including the inherent uncertainty in such estimates.

Vessel	Built	Deadweight Tons	Carrying Value $ (millions) Dec 31, 2025	Carrying Value $ (millions) Dec 31, 2024
Nordic Pollux	2003	150,103	24.4	13.9
Nordic Luna*	2004	150,037	26.1	16.3
Nordic Freedom	2005	159,331	29.5	23.3
Nordic Sprinter*	2005	159,089	29.5	18.5
Nordic Skier	2005	159,089	29.5	19.2
Nordic Light	2010	158,475	44.3	35.6
Nordic Cross	2010	158,475	44.3	35.7
Nordic Vega**	2010	163,940	39.8	44.7
Nordic Breeze	2011	158,597	48.3	36.9
Nordic Zenith	2011	158,645	48.3	37.4
Nordic Hawk	2016	157,594	66.5	68.0
Nordic Star	2016	157,738	66.9	46.6
Nordic Galaxy	2016	157,781	68.6	-
Nordic Moon	2016	157,718	68.6	-
Nordic Space	2017	157,582	69.9	47.1
Nordic Tellus	2018	157,407	73.0	46.6
Nordic Aquarius	2018	157,338	73.0	45.2
Nordic Cygnus	2018	157,526	73.0	45.6
Nordic Hunter	2022	157,037	86.4	52.0
Nordic Harrier	2022	157,094	86.4	51.6

* The vessel marked with an asterisk are classified as "Held for Sale" as of December 31, 2025.
** The vessel has a fair value that is lower than the carrying value.

Events and circumstances which could impact assumptions related to future cash flows of our vessels include:

- Declines in prevailing market charter rates
- Changes in behaviors and attitudes of our charterers towards actual and preferred technical, operational and environmental standards
- Changes in regulations over the requirements for the technical and environmental capabilities of our vessels
- Unexpected changes in the levels of Suezmax tanker newbuilding orders or recycling
- Increased inflation as a result of factors outside our control
- Changes in steel prices
- Political uncertainty including changes in trading routes and demand

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

Set forth below are the names and positions of our directors of the Company and senior management of the Company. The directors of the Company are elected annually, and each elected director holds office until a successor is elected. Officers are elected from time to time by vote of the Board and holds office until a successor is elected.

The Company

Name	Age	Position
Herbjørn Hansson	78	Founder, Chairman, Chief Executive Officer, President and Director
Alexander Hansson	44	Non-Executive Vice Chairman
Jenny Chu	72	Non-Executive Director and Audit Committee Chair
Jim Kelly	72	Non-Executive Director
Bjørn Giaever	59	Chief Financial Officer

Certain biographical information with respect to each director and senior management of the Company listed above is set forth below.

Herbjørn Hansson earned his M.B.A. at the Norwegian School of Economics and Business Administration and holds a diploma from Harvard Business School. In 1974 he was employed by the Norwegian Shipowners' Association. In the period from 1975 to 1980, he was Chief Economist and Research Manager of INTERTANKO, an industry association whose members control about 70% of the world's independently owned tanker fleet, excluding state owned and oil company fleets. During the 1980s, he was Chief Financial Officer of Kosmos/Anders Jahre, at the time one of the largest Norwegian based shipping and industry groups. In 1989, Mr. Hansson founded Ugland Nordic Shipping AS, or UNS, which became one of the world's largest owners of specialized shuttle tankers. He served as Chairman in the first phase and as Chief Executive Officer as from 1993 to 2001 when UNS, under his management, was sold to Teekay Shipping Corporation, or Teekay, for an enterprise value of $780.0 million. He continued to work with Teekay, and reached the position of Vice Chairman of Teekay Norway AS, until he started working full-time for the Company on September 1, 2004. Mr. Hansson is the founder and has been Chairman and Chief Executive Officer of the Company since its establishment in 1995. He also has been a member of various governing bodies of companies within shipping, insurance, banking, manufacturing, national/international shipping agencies including classification societies and protection and indemnity associations. Mr. Hansson is fluent in Norwegian and English, and has a command of German and French for conversational purposes.

Alexander Hansson has been a director of the Company since November 2019 and has been employed by the Company since 2009. In February 2024, Alexander Hansson was promoted to Vice Chairman. Mr. Hansson is an investor in various markets globally and has made several successful investments in both listed and privately held companies. Mr. Hansson is the son of the Company's Chairman and Chief Executive Officer and he has built a network over the last 20 years in the shipping and finance sector. He has operated shipping and trading offices in London and Monaco. He studied at EBS Regents College in London, United Kingdom.

Jim Kelly has been a director of the Company since June 2010. Mr. Kelly has worked for Time Inc., the world's largest magazine publisher, since 1978. He served as Foreign Editor during the fall of the Soviet Union and the first Gulf War and was named Deputy Managing Editor in 1996. In 2001, Mr. Kelly became the magazine's managing editor, and during his tenure the magazine won a record four National Magazine awards. In 2004, *Time Magazine* received its first EMMA for its contribution to the ABC News Series "Iraq: Where Things Stand." In late 2006, Mr. Kelly became the managing editor of all of Time Inc., helping supervise the work of more than 2,000 journalists working at 125 titles, including *Fortune, Money, Sports Illustrated* and *People*. Since 2009, Mr. Kelly has worked as a consultant at Bloomberg LP and taught at Princeton and Columbia Universities. Jim Kelly was elected as member of our Audit Committee in February 2012 and was appointed as the Chairman of the Audit Committee on March 8, 2020. Ms. Jenny Chu took over the role as Chair of the Audit Committee in May 2022.

Jenny Chu was appointed to the Board of Nordic American Tankers on April 4, 2022. Ms. Chu is a US citizen, born in South-Korea, with more than 25 years of experience in the financial services industry working with wealth planning for ultra-high net worth individuals in Morgan Stanley, UBS, JP Morgan and Merrill Lynch Wealth Management. She was Managing Director at JP Morgan Securities and Senior Vice President for Merrill Lynch both in Century City, California, US. She was also Head of Global Business Development in The Boars' Club, a by-invitation private international investment club for principals of single-family offices. She has been a director at the Korean American Chamber of Commerce and has had several other director- and memberships. She is currently a Private Financial Advisor. Ms. Chu knows and has been a close contact for NAT for many years and she brings valuable knowledge, experience and network to NAT, both in the US and in Asia. Jenny Chu has been the Chair of the Audit Committee since May 2022.

Bjørn Giaever joined the Company as Chief Financial Officer and Secretary on October 16, 2017. Mr. Giaever has over 30 years of experience in the shipping & offshore industry, holding key roles in corporate finance and equity research. He joined the Company from Fearnley Securities AS, where he served as partner and director in the Corporate Finance division. From 2006 to 2010, Mr. Giaever served as a senior corporate advisor in the John Fredriksen group in London. In addition, Mr. Giaever has been a top-rated Shipping Analyst at DNB Markets and partner at Inge Steensland AS, specializing in chemical, gas and product shipping. Mr. Giaever holds a BSc in business and economics.

B. Compensation

During the year ended December 31, 2025, we have paid aggregate cash compensation of $7.8 million to our directors and executive officers (five persons). The amount includes the cash compensation paid for managing our operations in Monaco.

We entered into an agreement in 2020, whereby our Founder, Chairman, President and Chief Executive Officer have a right to have his present position until 2027, after which he may become non-executive Chairman as long as he lives. Our Chief Financial Officer has a regular contribution pension plan in line with the Company's policy for employees.

2011 Equity Incentive Plan

The Board of Directors approved an equity incentive plan in 2011, which subsequently has been amended on several occasions. In October 2019, we amended and restated the 2011 Equity Incentive Plan to reserve 1,000,000 stock options for issuance to persons employed in the management of the Company and members of the Board of Directors. On October 28, 2019, the Company granted 755,000 and 234,000 stock options with vesting over a period of two and three years, respectively, and an exercise price of $4.70 per share. In October 2021, the vesting period for the 755,000 stock options that originally vested in October 2021 was prolonged with one year. The stock options vested in October 2022 without any options being exercised as the strike price of the options was above the share price at the vesting date. After the expiration in October 2022, these options became eligible for re-distribution.

In November 2022, the 2011 Equity Incentive Plan was amended to reserve an additional 3,000,000 stock options for issuance to persons employed in the management of the Company and members of the Board of Directors. On November 1, 2022, we granted 3,990,000 stock options with vesting over a period of two years and an exercise price of $3.60 per share, adjusted for dividends in the period, to 21 persons amongst our directors, employees and consultants. In 2023, 135,000 stock options were forfeited and a cost of $0.1 million was reversed. No stock options have forfeited during 2024 and as of November 1, 2024, upon expiration of the vesting period, there were 3,855,000 options outstanding. The Company decided to settle the outstanding stock options for a cash payment to the participants of $1.15 per option. The Company calculated the fair value of the stock option to be $0.93 as of the settlement and as such the settlement is $0.23 higher than the fair value. The Company recognized compensation cost of $0.89 million in November 2024, related to the settlement of the option.

A copy of the Amended and Restated 2011 Equity Incentive Plan is filed as Exhibit 4.11 to this annual report.

C. Board Practices

The members of our Board of Directors serve until the next annual general meeting following his or her election. The members of our current Board of Directors were elected at the annual general meeting held in 2025. Our Board of Directors has established an Audit Committee, consisting of a single independent director, Ms. Chu. Ms. Chu serves as the audit committee financial expert. The Audit Committee provides assistance to our Board of Directors in fulfilling their responsibility to shareholders, and investment community relating to corporate accounting, reporting practices of the Company, and the quality and integrity of the financial reports of the Company. The Audit Committee, among other duties, recommends to the Board of Directors the independent auditors to be selected to audit our financial statements; meets with the independent auditors and our financial management to review the scope of the proposed audit for the current year and the audit procedures to be utilized; reviews with the independent auditors, and financial and accounting personnel, the adequacy and effectiveness of the accounting and financial controls of the Company; and reviews the financial statements contained in the annual report to shareholders with management and the independent auditors.

Pursuant to an exemption for foreign private issuers, we are not required to comply with many of the corporate governance requirements of the NYSE that are applicable to U.S. listed companies. For more information, please see “Item 16G. Corporate Governance.”

There are no contracts between us and any of our directors providing for benefits upon termination of their employment.

Clawback Policy

In December 2023, our Board of Directors adopted a policy regarding the recovery of erroneously awarded compensation, or Clawback Policy, in accordance with the applicable rules of NYSE and Section 10D and Rule 10D-1 of the Securities Exchange Act of 1934, as amended. Our Clawback Policy shall be administered by our Board of Directors who have the authority, in accordance with the applicable laws, rules and regulations, to interpret and make determinations necessary for the administration of the Clawback Policy, and may forego recovery in certain instances, including if it determines that recovery would be impracticable. The full text of our Clawback Policy is included as Exhibit 97.1 in this annual report.

D. Employees

All our shore-based employees have employment contracts and as of December 31, 2025, the Company had a total of about 18 full-time employees. We have fixed contracts with three ship managers, which operate under our direct instructions. All seafarers onboard our vessels have employment contracts via the technical management companies.

E. Share Ownership

With respect to the total amount of common shares owned by all of our officers and directors individually and as a group, please see "Item 7. Major Shareholders and Related Party Transactions."

F. Disclosure Of Registrant's Action to Recover Erroneously Awarded Compensation

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

The following table sets forth information regarding beneficial ownership of our common shares for (i) owners of more than five percent of our common shares and (ii) our directors and officers, of which we are aware of the date of this annual report.

Title	Identity of Person	No. of Shares	Percent of Class(1)
Common	Herbjørn Hansson	5,500,000	2.5974%
Common	Alexander Hansson	5,555,000	2.6234%
	Jim Kelly	85,000	*
	Jenny Chu	0	*
	Bjørn Giæver	60,000	*
	Dimensional Fund Advisors, LP (2)		5.5454%
	Blackrock Inc, (2)		5.6363%

* Less than 1% of our common outstanding shares.

(1) Based on 211,750, 663 common shares outstanding as of the date of this annual report.

(2) Based solely on the Schedule 13G filed on December 31, 2025.

As of April 24, 2026, we had 377 holders of record in the United States, including Cede & Co., which is the Depositary Trust Company's nominee for holding shares on behalf of brokerage firms, as a single holder of record. We had a total of 211,750,663 Common Shares outstanding as of the date of this annual report. Our major shareholders have the same voting rights as our other shareholders.

We are not aware of any arrangement whereby we are directly or indirectly owned or controlled by another corporation, by any foreign government or by any other natural or legal person severally or jointly, nor are we aware of any arrangement that may, at a subsequent date, result in a change of control of the Company.

B. Related Party Transactions

Board Members and Employees:

We have an agreement with a company owned by a Board member for the use of an asset for corporate and marketing activities. We have in 2025, 2024 and 2023 paid operating costs of $1.8 million, $1.4 million and $1.3 million, and fees associated with actual use. In 2025, 2024 and 2023, the Company recognized an expense of $0.11 million, $0.1 million and $0.2 million, respectively, for utilization of the asset. No amounts were due to the related party as of December 31, 2025, 2024 or 2023.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and other Financial Information

See Item 18.

Legal Proceedings

To our knowledge, we are not currently a party to any lawsuit that, if adversely determined, would have a material adverse effect on our financial position, results of operations or liquidity.

Dividend Policy

Our policy is to declare quarterly dividends to shareholders as decided by the Board of Directors. The dividend to shareholders could be higher than the operating cash flow or the dividend to shareholders could be lower than the operating cash flow after reserves as the Board of Directors may from time to time determine are required, taking into account contingent liabilities, the terms of our borrowing agreements, our other cash needs and the requirements of Bermuda law.

Dividends declared in 2025 totaled $76.2 million and cash dividends distributed in 2025 totaled $84.7 million as the dividend declared in 4th quarter 2024 was paid in 1st quarter 2025. The dividend of $0.13 per share declared in the fourth quarter of 2025 was paid on December 22, 2025. The quarterly cash dividend declarations per share over the last 5 years have been as follows (based on the quarter the dividend was announced/declared):

Period	2025	2024	2023	2022	2021
1st Quarter	$ 0.06	$ 0.12	$ 0.15	$ 0.01	$ 0.02
2nd Quarter	$ 0.07	$ 0.12	$ 0.15	$ 0.02	$ 0.02
3rd Quarter	$ 0.10	$ 0.12	$ 0.13	$ 0.03	$ 0.01
4th Quarter	$ 0.13	$ 0.04	$ 0.06	$ 0.05	$ 0.01
Total	**$ 0.36**	**$ 0.40**	**$ 0.49**	**$ 0.11**	**$ 0.06**

The Company declared a dividend of $0.17 per share on February 26, 2026, in respect of the fourth quarter of 2025, which was paid to shareholders on March 24, 2026.

B. Significant Changes

Not applicable.

ITEM 9. THE OFFER AND LISTING

Not applicable except for Item 9.A.4. and Item 9.C.

Share History and Markets

Since November 16, 2004, the primary trading market for our common shares has been the NYSE on which our shares are listed under the symbol "NAT."

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

Our current Memorandum of Association is filed as exhibit 1.1 hereto, and our current by-laws are filed as exhibit 1.2 hereto. The information contained in these exhibits is incorporated by reference herein.

Information regarding the rights, preferences and restrictions attaching to each class of our shares is described in Exhibit 2.3 to this annual report titled "Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934."

For more information regarding our corporate governance practices, including a description of the significant differences between our corporate governance practices and those required of domestic companies in our host country, and the effects of such differences, please see "Item 16G. Corporate Governance.

Dividend Reinvestment and Direct Stock Purchase Plan

The Company's transfer agent, Computershare, maintains a dividend reinvestment program under which shareholders may reinvest their dividends for shares.

Listing

Our common shares are listed on the NYSE under the symbol "NAT."

Transfer Agent

The registrar and transfer agent for our common shares is Computershare Trust Company, N.A.

C. Material Contracts

Not applicable.

D. Exchange Controls

The Company has been designated as a non-resident of Bermuda for exchange control purposes by the Bermuda Monetary Authority, or BMA, whose permission for the issue of its common shares was obtained prior to the offering thereof.

The Beneficial Ownership Act 2025, or BO Act came into effect on 3 November 2025, and consequential amendments were made to certain provisions of the Bermuda Exchange Control Act of 1972 and regulations made thereunder. In addition to streamlining regulatory oversight of beneficial ownership information in Bermuda by transferring responsibility for the central register from the BMA to the Registrar, the BO Act now requires certain Bermuda legal persons to identify their beneficial owners, notify the Registrar of changes to beneficial ownership, and maintain a beneficial ownership register. For so long as the Company's shares are listed on an appointed stock exchange, the Company is exempted from the requirements of the BO Act, save for the requirement to confirm such exempted status with the Registrar and submit to the Registrar evidence supporting that exemption.

Subject to the foregoing, there are no limitations on the rights of owners of shares in the Company to hold or vote their shares. Because the Company has been designated as non-resident for Bermuda exchange control purposes, there are no restrictions on its ability to transfer funds in and out of Bermuda or to pay to United States residents who are holders of common shares, other than in respect of local Bermuda currency.

In accordance with Bermuda law, share certificates may be issued only in the names of those with legal capacity. In the case of an applicant acting in a special capacity (for example, as an executor or trustee), certificates may, at the request of the applicant, record the capacity in which the applicant is acting. Notwithstanding the recording of any such special capacity, the Company is not bound to investigate or incur any responsibility in respect of the proper administration of any such estate or trust.

The Company will take no notice of any trust applicable to any of its shares or other securities whether or not it had notice of such trust.

As an "exempted company," the Company is exempt from Bermuda laws which restrict the percentage of share capital that may be held by non-Bermudians, but as an exempted company, the Company may not participate in certain business transactions including: (i) the acquisition or holding of land in Bermuda except for land required for its business by way of lease for a term not exceeding 50 years or otherwise, with the express authorization of the Ministers of Finance of Bermuda, land by way of lease for a term not exceeding 21 years in order to provide accommodation or recreational facilities for its officers and employees; (ii) the taking of mortgages on land in Bermuda to secure an amount in excess of $50,000 without the consent of the Minister of Finance of Bermuda; (iii) the acquisition of securities created or issued by, or any interest in, any local company or business, other than certain types of Bermuda government securities or securities of another "exempted company, exempted partnership or other corporation or partnership resident in Bermuda but incorporated abroad"; or (iv) the carrying on of business of any kind in Bermuda, except in so far as may be necessary for the carrying on of its business outside Bermuda or under a license granted by the Minister of Finance of Bermuda.

In addition to having no restrictions on the degree of foreign ownership, the Company is subject neither to taxes on its income or dividends nor to any exchange controls in Bermuda other than outlined above and below. In addition, there is no capital gains tax in Bermuda, and profits can be accumulated by the Company, as required, other than as outlined above and below.

E. Taxation

Bermuda Tax Considerations

The Corporate Income Tax Act 2023, or CITA, came into operation in its entirety on 1 January 2025 along with corresponding changes to the Exempted Undertakings Tax Protection Act 1966 (as amended), or EUTPA. As a result, there may be an imposition of corporate income tax to certain Bermuda constituent members of multinational groups with annual revenues of at least EUR 750 million in the consolidated financial statements of the ultimate parent entity for at least two of the four fiscal years immediately preceding the applicable fiscal year. Any liability for tax imposed under the CITA shall apply notwithstanding any assurance given pursuant to the EUTPA. Based on the current provisions of the CITA, impact to us due to the introduction of the new corporate income tax, or CIT, is expected to be minimal.[1]

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[1] Company's tax advisors to confirm. We do not advise on the impact of CITA on the Company.

Save for the CIT referenced above, which may be applicable to certain persons, under current Bermuda law, there are no taxes on profits, income or dividends nor is there any capital gains tax. This discussion does not, however, apply to the taxation of persons ordinarily resident in Bermuda. Furthermore, the Company has received from the Minister of Finance of Bermuda under the EUTPA, as amended, an undertaking that, in the event that Bermuda enacts any legislation imposing tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax shall not be applicable to the Company or to any of its operations, or the common shares, debentures or other obligations of the Company, until March 31, 2035. This undertaking does not, however, prevent the imposition of any such tax or duty on such persons as are ordinarily resident in Bermuda and holding such shares, debentures or obligations of the Company or of property taxes on Company-owned real property or leasehold interests in Bermuda.

The United States does not have a comprehensive income tax treaty with Bermuda. However, Bermuda has legislation in place (*U.S.A. – Bermuda Tax Convention Act 1986*) which authorizes the enforcement of certain obligations of Bermuda pursuant to the *Convention Between The Government Of The United Kingdom of Great Britain And Northern Ireland (On Behalf Of The Government Of Bermuda) And The Government Of The United States Of America Relating To The Taxation Of Insurance Enterprises And Mutual Assistance In Tax Matters* entered into on 11 July 1986*, or the* Convention. Article 5 of the Convention states that the U.S.A. and Bermuda "shall provide assistance as appropriate in carrying out the laws of the respective covered jurisdictions (Bermuda and U.S.A.) relating to the prevention of tax fraud and the evasion of taxes. In addition, the competent authorities shall, through consultations, develop appropriate conditions, method, and techniques for providing, and shall thereafter provide, assistance as appropriate in carrying out the fiscal laws of the respective covered jurisdictions other than those relating to tax fraud and the evasion of taxes."

United States Federal Income Tax Considerations

The following discussion is a summary of the material United States federal income tax considerations relevant to the Company and to a United States Holder and Non-United States Holder (each defined below) of our common shares. This discussion is based on advice received by us from Seward & Kissel LLP, our United States counsel. This discussion does not purport to deal with the tax consequences of owning common shares to all categories of investors, some of which (such as dealers in securities or currencies, investors whose functional currency is not the United States dollar, financial institutions, regulated investment companies, real estate investment trusts, tax-exempt organizations, insurance companies, persons holding our common shares as part of a hedging, integrated, conversion or constructive sale transaction or a straddle, persons liable for alternative minimum tax, persons subject to the "base erosion and anti-avoidance" tax, persons required to recognize income for U.S. federal income tax purposes no later than when such income is included on an "applicable financial statement" and persons who are investors in pass-through entities) may be subject to special rules. This discussion only applies to shareholders who (i) own our common shares as a capital asset and (ii) own less than 10%, actually or constructively, of our common shares. Shareholders are encouraged to consult their own tax advisors with respect to the specific tax consequences to them of purchasing, holding or disposing of common shares.

United States Federal Income Taxation of the Company

Operating Income: In General

Unless exempt from United States federal income taxation under section 883 of the United Stated Internal Revenue Code of 1986, as amended, or the Code, a foreign corporation is subject to United States federal income taxation in the manner described below in respect of any income that is derived from the use of vessels, from the hiring or leasing of vessels for use on a time, voyage or bareboat charter basis, or from the performance of services directly related to such use, which we refer to as Shipping Income, to the extent that such Shipping Income is derived from sources within the United States, which we refer to as United States-Source Shipping Income.

Shipping Income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States will be considered to be 50% derived from sources within the United States. Shipping Income that is attributable to transportation that both begins and ends in the United States will be considered to be 100% derived from sources within the United States.

Shipping Income that is attributable to transportation exclusively between non-United States ports will be considered to be 100% derived from sources outside the United States and will not be subject to United States federal income tax.

Our vessels will be operated in various parts of the world and, in part, are expected to be involved in transportation of cargoes that begins or ends, but that does not both begin and end, in United States ports. Accordingly, it is not expected that we will engage in transportation that gives rise to 100% United States-Source Shipping Income.

Exemption of Operating Income from United States Federal Income Taxation

Pursuant to section 883 of the Code, we will be exempt from United States federal income taxation on our United States-Source Shipping Income if (i) we are organized in a foreign country that grants an equivalent exemption from income taxation to corporations organized in the United States, which we refer to as the Country of Organization Requirement, and (ii) either (A) more than 50% of the value of our common shares is owned, directly or indirectly, by individuals who are "residents" of such country or of another foreign country that grants an equivalent exemption to corporations organized in the United States, which we refer to as the 50% Ownership Test, or (B) our common shares are "primarily and regularly traded on an established securities market" in such country, in another country that grants an equivalent exemption to United States corporations, or in the United States, which we refer to as the Publicly-Traded Test.

Bermuda, the country in which we are incorporated, grants an equivalent exemption to United States corporations. Therefore, we will satisfy the Country of Organization Requirement and will be exempt from United States federal income taxation with respect to our United States-Source Shipping Income if we satisfy either the 50% Ownership Test or the Publicly-Traded Test.

The regulations promulgated by the United States Department of the Treasury, or the Treasury Regulations, under section 883 of the Code provide that stock of a foreign corporation will be considered to be "primarily traded" on an established securities market in a country if the number of shares of each class of stock that is traded during any taxable year on all established securities markets in that country exceeds the number of shares in each such class that is traded during that year on established securities markets in any other single country.

The Publicly-Traded Test also requires our common shares be "regularly traded" on an established securities market. Under the Treasury Regulations, our common shares are considered to be "regularly traded" on an established securities market if shares representing more than 50% of our outstanding common shares, by both total combined voting power of all classes of stock entitled to vote and total value, are listed on the market, referred to as the "Listing Threshold." The Treasury Regulations further require that with respect to each class of stock relied upon to meet the listing threshold, (i) such class of stock is traded on the market, other than in minimal quantities, on at least 60 days during the taxable year or 1/6 of the days in a short taxable year, which is referred to as the Trading Frequency Test; and (ii) the aggregate number of shares of such class of stock traded on such market during the taxable year is at least 10% of the average number of shares of such class of stock outstanding during such year (as appropriately adjusted in the case of a short taxable year), which is referred to as the Trading Volume Test. Even if we do not satisfy both the Trading Frequency and Trading Volume Tests, the Treasury Regulations provide that the Tests will be deemed satisfied if our common shares are traded on an established securities market in the United States and such stock is regularly quoted by dealers making a market in our common shares.

We believe that we satisfied the Publicly-Traded Test for our 2025 taxable year since, on more than half the days of the taxable year, we believe the Company's common shares were primarily and regularly traded on an established securities market in the United States, namely the NYSE.

Notwithstanding the foregoing, we will not satisfy the Publicly-Traded Test if 50% or more of the vote and value of our common shares is owned (or is treated as owned under certain stock ownership attribution rules) by persons each of whom owns (or is treated as owning under certain stock ownership attribution rules) 5% or more of the value of our common shares, or 5% Shareholders, for more than half the days during the taxable year, to which we refer to as the 5% Override Rule. In the event the 5% Override Rule is triggered, the 5% Override Rule will nevertheless not apply if we can establish that among the closely-held group of 5% Shareholders, there are sufficient 5% Shareholders that are considered to be "qualified shareholders" for purposes of section 883 of the Code to preclude non-qualified 5% Shareholders in the closely-held group from owning 50% or more of our common shares for more than half the number of days during the taxable year. In order to determine the persons who are 5% Shareholders, we are permitted to rely on those persons that are identified on Schedule 13G and Schedule 13D filings with the SEC as having a 5% or more beneficial interest in our common shares.

We are not aware of any facts which would indicate that 50% or more of our common shares were actually or constructively owned by 5% Shareholders during our 2025 taxable year. Accordingly, we expect that our common shares will be considered to be "primarily and regularly traded on an established securities market" and that we will, therefore, qualify for the exemption under section 883 of the Code for our 2025 taxable year. However, because of the factual nature of the issues relating to this determination, no assurance can be given that we will qualify for the exemption in any future taxable year. For example, if 5% Shareholders owned 50% or more of our common shares, then we would have to satisfy certain requirements regarding the identity and residence of our 5% Shareholders. These requirements are onerous and there is no assurance that we could satisfy them.

United States Federal Income Taxation of Gain on Sale of Vessels

Regardless of whether we qualify for exemption under section 883 of the Code, we will generally not be subject to United States federal income taxation with respect to gain realized on the sale of a vessel, provided the sale is considered to occur outside of the United States under United States federal income tax principles. In general, a sale of a vessel will be considered to occur outside of the United States for this purpose if title to the vessel, and risk of loss with respect to the vessel, pass to the buyer outside of the United States. It is expected that any sale of a vessel by us will be considered to occur outside of the United States.

4% Gross Basis Tax Regime

To the extent that the benefits of section 883 of the Code are unavailable with respect to any item of United States-Source Shipping Income, such Shipping Income that is considered not to be "effectively connected" with the conduct of a trade or business in the United States, as discussed below, would be subject to a 4% tax imposed by section 887 of the Code on a gross basis, without benefit of deductions, which we refer to as the 4% Gross Basis Tax Regime. Since under the sourcing rules described above, no more than 50% of our Shipping Income would be derived from United States sources, the maximum effective rate of United States federal income tax on our gross Shipping Income would never exceed 2% under the 4% Gross Basis Tax Regime.

Net Basis and Branch Profits Tax Regime

To the extent that the benefits of the exemption under section 883 of the Code are unavailable and our United States-Source Shipping Income is considered to be "effectively connected" with the conduct of a United States trade or business, as described below, any such "effectively connected" United States-Source Shipping Income, net of applicable deductions, would be subject to the United States federal income tax imposed at corporate rate of 21% under present law. In addition, we may be subject to the 30% "branch profits" taxes on earnings effectively connected with the conduct of such trade or business, as determined after allowance for certain adjustments, and on certain interest paid or deemed paid attributable to the conduct of the United States trade or business.

Our United States-Source Shipping Income would be considered "effectively connected" with the conduct of a U.S. trade or business only if (i) we have, or are considered to have, a fixed place of business in the United States involved in the earning of Shipping Income and (ii) substantially all of our United States-Source Shipping Income is attributable to regularly scheduled transportation, such as the operation of a vessel that followed a published schedule with repeated sailings at regular intervals between the same points for voyages that begin or end in the United States, or, in the case of income from the chartering of a vessel, is attributable to a fixed place of business in the United States.

We do not intend to have a fixed place of business in the United States involved in the earning of Shipping Income. Based on the foregoing and on the expected mode of our shipping operations and other activities, we believe that none of our United States-Source Shipping Income will be "effectively connected" with the conduct of a United States trade or business.

United States Federal Income Taxation of United States Holders

As used herein, the term "United States Holder" means, for United States federal income tax purposes, a beneficial owner of common shares who is (A) an individual citizen or resident of the United States, (B) a corporation (or other entity treated as a corporation) created or organized in or under the laws of the United States or of any state or the District of Columbia, (C) an estate the income of which is includible in gross income for United States federal income tax purposes regardless of its source, or (D) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or (b) it has an election in place to be treated as a United States person.

If a partnership holds our common shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. If you are a partner in a partnership holding our common shares, you are urged to consult your tax advisors.

Distributions

Subject to the discussion below of passive foreign investment companies, or PFICs, any distributions made by us with respect to our common shares to a United States Holder will generally constitute dividends, which may be taxable as ordinary income or "qualified dividend income," as described in more detail below, to the extent of our current or accumulated earnings and profits, as determined under United States federal income tax principles. Distributions in excess of our earnings and profits will be treated first as a non-taxable return of capital to the extent of the United States Holder's tax basis in his common shares on a dollar-for-dollar basis and thereafter as capital gain. Because we are not a United States corporation, United States Holders that are corporations will generally not be entitled to claim a dividend received deduction with respect to any distributions they receive from us. Dividends paid with respect to our common shares will generally be treated as "passive category income" or, in the case of certain types of United States Holders, "general category income" for purposes of computing allowable foreign tax credits for United States foreign tax credit purposes.

Dividends paid on our common shares to a United States Holder who is an individual, trust or estate, or a United States Individual Holder, will generally be treated as "qualified dividend income" that is taxable to such United States Individual Holders at preferential tax rates provided that (1) the common shares are readily tradable on an established securities market in the United States (such as the NYSE on which our common shares are traded); (2) we are not a PFIC for the taxable year during which the dividend is paid or the immediately preceding taxable year (as discussed below); (3) the United States Individual Holder has owned the common shares for more than 60 days in the 121-day period beginning 60 days before the date on which the common shares become ex-dividend, and (4) the United States Individual Holder is not under an obligation (whether pursuant to a short sale or otherwise) to make payments with respect to positions in substantially similar or related property. There is no assurance that any dividends paid on our common shares will be eligible for these preferential rates in the hands of a United States Individual Holder. Any dividends paid by us which are not eligible for these preferential rates will be taxed as ordinary income to a United States Individual Holder.

If we pay an "extraordinary dividend" on our common shares (generally, a dividend in an amount which is equal to or in excess of 10% of a shareholder's adjusted tax basis (or fair market value in certain circumstances) in the common shares or dividends received within a one-year period that, in the aggregate, equal or exceed 20% of a shareholder's adjusted tax basis (or fair market value upon the shareholder's election)) that is treated as "qualified dividend income," then any loss derived by a United States Individual Holder from the sale or exchange of such common shares will be treated as long-term capital loss to the extent of such dividend.

Sale, Exchange or other Disposition of Common Shares

Assuming we do not constitute a PFIC for taxable years after 2004, a United States Holder generally will recognize taxable gain or loss upon a sale, exchange or other disposition of our common shares in an amount equal to the difference between the amount realized by the United States Holder from such sale, exchange or other disposition and the United States Holder's tax basis in such common shares. Such gain or loss will be treated as long-term capital gain or loss if the United States Holder's holding period is greater than one year at the time of the sale, exchange or other disposition. Such capital gain or loss will generally be treated as United States-source income or loss, as applicable, for United States foreign tax credit purposes. A United States Holder's ability to deduct capital losses is subject to certain limitations.

Special rules may apply to a United States Holder who purchased shares before 2005 and did not make a timely QEF election or a mark-to-market election (as discussed below). Such United States Holders are encouraged to consult their tax advisors regarding the United States federal income tax consequences to them of the disposal of our common shares.

Passive Foreign Investment Company Considerations

Special United States federal income tax rules apply to a United States Holder that holds shares in a foreign corporation classified as a PFIC for United States federal income tax purposes. In general, we will be treated as a PFIC with respect to a United States Holder if, for any taxable year in which such Holder held our common shares, either

- at least 75% of our gross income for such taxable year consists of passive income (e.g., dividends, interest, capital gains and rents derived other than in the active conduct of a rental business), or

- at least 50% of the average value of the assets held by us during such taxable year produce, or are held for the production of, such passive income.

For purposes of determining whether we are a PFIC, we will be treated as earning and owning our proportionate share of the income and assets, respectively, of any of our subsidiary corporations in which we own at least 25% of the value of the subsidiary's shares. Income earned, or deemed earned, by us in connection with the performance of services would not constitute passive income. By contrast, rental income would generally constitute passive income unless we were treated under specific rules as deriving our rental income in the active conduct of a trade or business.

For taxable years through 2004, we were a PFIC. However, based on our current operations and future projections, we do not believe that we have been, or will become, a PFIC with respect to our taxable years after 2004. Although there is no legal authority directly on point, and we are not relying upon an opinion of counsel on this issue, our belief is based principally on the position that, for purposes of determining whether we are a PFIC, the gross income we derive or are deemed to derive from our time chartering and voyage chartering activities should constitute services income, rather than rental income. Correspondingly, such income should not constitute passive income, and the assets that we own and operate or are deemed to own and operate in connection with the production of such income, in particular, the vessels, should not constitute passive assets for purposes of determining whether we are a PFIC. We believe there is substantial legal authority supporting our position consisting of case law and Internal Revenue Service, or IRS, pronouncements concerning the characterization of income derived from time charters and voyage charters as services income for other tax purposes. However, we note that there is also authority which characterizes time charter income as rental income rather than services income for other tax purposes. In the absence of any legal authority specifically relating to the statutory provisions governing PFICs, the IRS or a court could disagree with our position. In addition, although we intend to conduct our affairs in a manner to avoid being classified as a PFIC, we cannot assure you that the nature of our operations will not change in the future.

As discussed more fully below, if we were to be treated as a PFIC for any taxable year which included a United States Holder's holding period in our common shares, then such United States Holder would be subject to different United States federal income taxation rules depending on whether the United States Holder makes an election to treat us as a "qualified electing fund," which election we refer to as a QEF Election. As an alternative to making a QEF election, a United States Holder should be able to make a "mark-to-market" election with respect to our common shares, as discussed below. In addition, if we were to be treated as a PFIC for a taxable year ending on or after December 31, 2013, a United States Holder of our common shares would be required to file an annual information return with the IRS for such year.

United States Holders Making a Timely QEF Election

Pass-Through of Ordinary Earnings and Net Capital Gain. A United States Holder who makes a timely QEF Election with respect to our common shares, or an Electing Holder, would report for United States federal income tax purposes his pro rata share of our "ordinary earnings" (i.e., the net operating income determined under United States federal income tax principles) and our net capital gain, if any, for our taxable year that ends with or within the taxable year of the Electing Holder. Our "net capital gain" is any excess of any of our net long term capital gains over our net short term capital losses and is reported by the Electing Holder as long term capital gain. Our net operating losses or net capital losses would not pass through to the Electing Holder and will not offset our ordinary earnings or net capital gain reportable to Electing Holders in subsequent years (although such losses would ultimately reduce the gain, or increase the loss, if any, recognized by the Electing Holder on the sale of his common shares).

For purposes of calculating our ordinary earnings, the cost of each vessel is depreciated on a straight-line basis over the applicable recovery period for vessels. Any gain on the sale of a vessel would be treated as ordinary income, rather than capital gain, to the extent of such depreciation deductions with respect to such vessel.

In general, an Electing Holder would not be taxed twice on his share of our income. Thus, distributions received from us by an Electing Holder are excluded from the Electing Holder's gross income to the extent of the Electing Holder's prior inclusions of our ordinary earnings and net capital gain. The Electing Holder's tax basis in his shares would be increased by any amount included in the Electing Holder's income. Distributions received by an Electing Holder**,** which are not includible in income because they have been previously taxed, would decrease the Electing Holder's tax basis in the common shares. Distributions, if any, in excess of such tax basis would be treated as capital gain (which gain will be treated as long-term capital gain if the Electing Holder held its common shares for more than one year at the time of distribution).

Disposition of Common Shares. An Electing Holder would generally recognize capital gain or loss on the sale or exchange of common shares in an amount equal to the difference between the amount realized by the Electing Holder from such sale or exchange and the Electing Holder's tax basis in the common shares. Such gain or loss would generally be treated as long-term capital gain or loss if the Electing Holder's holding period in the common shares at the time of the sale or exchange is more than one year. A United States Holder's ability to deduct capital losses may be limited.

Making a QEF Election. A United States Holder makes a QEF Election for a taxable year by completing and filing IRS Form 8621 (Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) in accordance with the instructions thereto. If we were aware that we were to be treated as a PFIC for any taxable year, we would provide each United States Holder with all necessary information in order to make the QEF Election described above.

United States Holders Making a Timely Mark-to-Market Election

Mark-to-Market Regime. A United States Holder who does not make a QEF Election may make a "mark-to-market" election under section 1296 of the Code, provided that the common shares are regularly traded on a "qualified exchange." The NYSE, on which the common shares are traded, is a "qualified exchange" for these purposes. A United States Holder who makes a timely mark-to-market election with respect to the common shares would include annually in the United States Holder's income, as ordinary income, any excess of the fair market value of the common shares at the close of the taxable year over the United States Holder's then adjusted tax basis in the common shares. The excess, if any, of the United States Holder's adjusted tax basis at the close of the taxable year over the then fair market value of the common shares would be deductible in an amount equal to the lesser of the amount of the excess or the net mark-to-market gains that the United States Holder included in income in previous years with respect to the common shares. A United States Holder's tax basis in his common shares would be adjusted to reflect any income or loss amount recognized pursuant to the mark-to-market election.

Disposition of Common Shares. A United States Holder who makes a timely mark-to-market election would recognize ordinary income or loss on a sale, exchange or other disposition of the common shares in an amount equal to the difference between the amount realized by the United States Holder from such sale, exchange or other disposition and the United States Holder's tax basis in the common shares; provided, however, that any ordinary loss on the sale, exchange or other disposition may not exceed the net mark-to-market gains that the United States Holder included in income in previous years with respect to the common shares. The amount of any loss in excess of such net mark-to market gains is treated as capital loss.

Making the Mark-to-Market Election. A United States Holder makes a mark-to-market election for a taxable year by completing and filing IRS Form 8621 (Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) in accordance with the instructions thereto.

United States Holders Not Making a Timely QEF Election or Mark-to-Market Election

A United States Holder who does not make a timely QEF Election or a timely mark-to-market election, which we refer to as a Non-Electing Holder, would be subject to special rules with respect to (i) any "excess distribution" (generally, the portion of any distributions received by the Non-Electing Holder on the common shares in a taxable year in excess of 125% of the average annual distributions received by the Non-Electing Holder in the three preceding taxable years, or, if shorter, the Non-Electing Holder's holding period for the common shares), and (ii) any gain realized on the sale or other disposition of common shares. Under these rules, (i) the excess distribution or gain would be allocated ratably over the Non-Electing Holder's holding period for the common shares; (ii) the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which we were a PFIC, would be taxed as ordinary income; and (iii) the amount allocated to each of the other prior taxable years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year, and an interest charge for the deemed tax deferral benefit would be imposed with respect to the resulting tax attributable to each such other taxable year. If a Non-Electing Holder dies while owning common shares, the Non-Electing Holder's successor would be ineligible to receive a step-up in the tax basis of those common shares.

Distributions received by a Non-Electing Holder that are not "excess distributions" would be includible in the gross income of the Non-Electing Holder as dividend income to the extent that such distributions are paid out of our current or accumulated earnings and profits as determined under United States federal income tax principles. Such dividends would not be eligible to be treated as "qualified dividend income" eligible for preferential tax rates. Distributions in excess of our current or accumulated earnings and profits would be treated first as a return of the United States Holder's tax basis in the common shares (thereby increasing the amount of any gain or decreasing the amount of any loss realized on the subsequent sale or disposition of such common shares) and thereafter as capital gain.

United States Holders Who Acquired Shares Before 2005

We were a PFIC through the 2004 taxable year. Therefore, a United States Holder who acquired our common shares before 2005 may be subject to special rules with respect to our common shares. In particular, a United States Holder who did not make a timely QEF Election or a mark-to-market election may continue to be subject to the PFIC rules with respect to our common shares. Such United States Holders are encouraged to consult their tax advisors regarding the application of these rules as well as the availability of certain elections which may ameliorate the application of these rules.

United States Federal Income Taxation of Non-United States Holders

A beneficial owner of common shares (other than a partnership) that is not a United States Holder is referred to herein as a Non-United States Holder.

Dividends on Common Shares

Non-United States Holders generally will not be subject to United States federal income or withholding tax on dividends received from us with respect to our common shares, unless that income is effectively connected with the Non-United States Holder's conduct of a trade or business in the United States. If the Non-United States Holder is entitled to the benefits of a United States income tax treaty with respect to those dividends, that income is taxable only if it is attributable to a permanent establishment maintained by the Non-United States Holder in the United States.

Sale, Exchange or Other Disposition of Common Shares

Non-United States Holders generally will not be subject to United States federal income or withholding tax on any gain realized upon the sale, exchange or other disposition of our common shares, unless:

- the gain is effectively connected with the Non-United States Holder's conduct of a trade or business in the United States (and, if the Non-United States Holder is entitled to the benefits of a United States income tax treaty with respect to that gain, that gain is attributable to a permanent establishment maintained by the Non-United States Holder in the United States); or

- the Non-United States Holder is an individual who is present in the United States for 183 days or more during the taxable year of disposition and other conditions are met.

If the Non-United States Holder is engaged in a United States trade or business for United States federal income tax purposes, the income from the common shares, including dividends and the gain from the sale, exchange or other disposition of the common shares, that is effectively connected with the conduct of that trade or business will generally be subject to regular United States federal income tax in the same manner as discussed in the previous section relating to the taxation of United States Holders. In addition, if you are a corporate Non-United States Holder, your earnings and profits that are attributable to the effectively connected income, subject to certain adjustments, may be subject to an additional branch profits tax at a rate of 30%, or at a lower rate as may be specified by an applicable United States income tax treaty.

Backup Withholding and Information Reporting

In general, dividend payments, or other taxable distributions, made within the United States to you will be subject to information reporting requirements if you are a United States Individual Holder. Such payments may also be subject to backup withholding tax if you are a United States Individual Holder and you:

- fail to provide an accurate taxpayer identification number;

- are notified by the IRS that you have failed to report all interest or dividends required to be shown on your United States federal income tax returns; or

- in certain circumstances, fail to comply with applicable certification requirements.

Non-United States Holders may be required to establish their exemption from information reporting and backup withholding by certifying their status on an IRS Form W-8.

If you are a Non-United States Holder and you sell your common shares to or through a United States office of a broker, the payment of the proceeds is subject to both United States backup withholding and information reporting unless you certify that you are a non-United States person, under penalties of perjury, or you otherwise establish an exemption. If you are a Non-United States Holder and you sell your common shares through a non-United States office of a non-United States broker and the sales proceeds are paid to you outside the United States, then information reporting and backup withholding generally will not apply to that payment. However, information reporting requirements, but not backup withholding, will apply to a payment of sales proceeds, even if that payment is made to you outside the United States, if you sell your common shares through a non-United States office of a broker that is a United States person or has some other contacts with the United States. Such information reporting requirements will not apply, however, if the broker has documentary evidence in his records that you are a non-United States person and certain other conditions are met, or you otherwise establish an exemption.

Backup withholding is not an additional tax. Rather, you generally may obtain a refund of any amounts withheld under backup withholding rules that exceed your United States federal income tax liability by filing a refund claim with the IRS.

Individuals who are United States Holders (and to the extent specified in applicable Treasury regulations, certain individuals who are Non-United States Holders and certain United States entities) who hold "specified foreign financial assets" (as defined in section 6038D of the Code) are required to file IRS Form 8938 with information relating to the asset for each taxable year in which the aggregate value of all such assets exceeds $75,000 at any time during the taxable year or $50,000 on the last day of the taxable year (or such higher dollar amount as prescribed by applicable Treasury regulations). Specified foreign financial assets would include, among other assets, our common shares, unless the shares are held through an account maintained with a United States financial institution. Substantial penalties apply to any failure to timely file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not due to wilful neglect. Additionally, in the event an individual United States Holder (and to the extent specified in applicable Treasury regulations, an individual Non-United States Holder or a United States entity) that is required to file IRS Form 8938 does not file such form, the statute of limitations on the assessment and collection of United States federal income taxes of such holder for the related tax year may not close until three years after the date that the required information is filed. United States Holders (including United States entities) and Non- United States Holders are encouraged consult their own tax advisors regarding their reporting obligations under this legislation.

In addition to the tax consequences discussed above, we may be subject to tax in one or more other jurisdictions where we conduct activities. The amount of any such tax imposed upon our operations may be material.

The above-mentioned tax considerations do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the shares. Shareholders who wish to clarify their own tax situation should consult and rely upon their own tax advisors.

Changes in Global Tax Laws

Long-standing international tax initiatives that determine each country's jurisdiction to tax cross-border international trade and profits are evolving as a result of, among other things, initiatives such as the Anti-Tax Avoidance Directives, as well as the Base Erosion and Profit Shifting reporting requirements, mandated and/or recommended by the EU, G8, G20 and Organization for Economic Cooperation and Development, including the imposition of a minimum global effective tax rate for multinational businesses regardless of the jurisdiction of operation and where profits are generated (Pillar Two). As these and other tax laws and related regulations change (including changes in the interpretation, approach and guidance of tax authorities), our financial results could be materially impacted. Given the unpredictability of these possible changes and their potential interdependency, it is difficult to assess whether the overall effect of such potential tax changes would be cumulatively positive or negative for our earnings and cash flow, but such changes could adversely affect our financial results.

On December 12, 2022, the European Union member states agreed to implement the OECD's Pillar Two global corporate minimum tax rate of 15% on companies with revenues of at least €750 million effective from 2024. Various countries have either adopted implementing legislation or are in the process of drafting such legislation. Any new tax law in a jurisdiction where we conduct business or pay tax could have a negative effect on our company.

Other Tax Considerations

In addition to the tax consequences discussed above, we may be subject to tax in one or more other jurisdictions where we conduct activities. The amount of any such tax imposed upon our operations may be material.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended. In accordance with these requirements we file reports and other information with the SEC. These materials, including this annual report and the accompanying exhibits may be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, NE, Room 1580, Washington, D.C. 20549. The SEC maintains a website (http://www.sec.gov) that contains reports, proxy and information statements and other information that we and other registrants have filed electronically with the SEC. Our filings are also available on our website at www.nat.bm. This web address is provided as an inactive textual reference only. Information contained on our website does not constitute part of this annual report.

Shareholders may also request a copy of our filings at no cost, by writing or telephoning us at the following address:

Nordic American Tankers Limited
Par La Ville Place
14 Par La Ville Road
Hamilton, HM08, Bermuda.
Tel: +1 441 292 7202

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risk from changes in interest rates related to the variable rate of the Company's borrowings under our $150 million Senior Secured Credit Facility, amended and restated and our eight vessels financed with Ocean Yield. The Company is also exposed to foreign exchange risk, primarily related to fluctuations in currency exchange rates that may affect the cost of operating expenses and certain capital expenditures denominated in currencies other than the U.S. dollar.

The Senior Secured Credit Facility, amended and restated carrying an interest rate based on Federal Funds Rate, plus a margin. The other financing agreements have interest at a rate equal to a term SOFR and a margin and a Credit Adjustment Spread, or CAS, of 26 basis points. Increasing interest rates could affect our future profitability. In certain situations, the Company may enter into financial instruments to reduce the risk associated with fluctuations in interest rates.

A 100 basis point increase in term SOFR or the Federal Funds Rate would have resulted in an increase of approximately $4.22 million in our interest expense for the year ended December 31, 2025.

The Company is exposed to the spot Suezmax tanker market. Historically, the tanker markets have been volatile as a result of the many conditions and factors that can affect the price, supply and demand for tanker capacity. Changes in demand for transportation of oil over longer distances and supply of tankers to carry that oil may materially affect our revenues, profitability and cash flows. The majority of our vessels are operated in the spot market with three vessels on longer-term time charter agreements. We believe that over time, spot employment generates premium earnings compared to longer-term employment.

We estimate that during 2025, a $1,000 per day decrease per vessel in the spot market rate would have decreased our voyage revenue by approximately $7.88 million.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not applicable.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures.

Pursuant to Rules 13a-15(e) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Company's management, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as of December 31, 2025. Disclosure controls and procedures are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Act is recorded, processed, summarized and reported, within the time periods specified in the U.S Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Act is accumulated and communicated to the issuer's management, including its chief executive and chief financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on this evaluation, management has concluded that our disclosure controls and procedures were effective as of December 31, 2025.

B. Management's annual report on internal control over financial reporting.

In accordance with Rule 13a-15(f) of the Exchange Act, the management of the Company is responsible for the establishment and maintenance of adequate internal controls over financial reporting for the Company. Our internal control system is designed to provide reasonable assurance to the Company's management and Board of Directors regarding the reliability of financial reporting and the preparation of published financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Our system of internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that our receipts and expenditures are being made only in accordance with authorization of our management and directors; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. All internal control systems, no matter how well designed and operated, can only provide reasonable, not absolute, assurance that the objectives of the control system will be met. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Additionally, any projections of any evaluations of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with our policies and procedures.

Our management, including the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of our internal control over financial reporting as at December 31, 2025, based on the framework established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. Based on this evaluation, management has concluded that our internal control over financial reporting was effective as of December 31, 2025. KPMG AS, the registered public accounting firm that audited our financial statements included in this annual report, has issued an attestation report on management's assessment of our internal control over financial reporting.

C. Attestation report of the registered public accounting firm.

The effectiveness of our internal control over financial reporting as of December 31, 2025, has been audited by KPMG AS, an independent registered public accounting firm, as stated in their report that appears herein.

D. Changes in internal control over financial reporting.

There have been no changes in internal controls over financial reporting that occurred during the year covered by this annual report, that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

The Board of Directors has determined that Ms. Chu, who serves as Chairman of the Audit Committee, qualifies as an "audit committee financial expert" under SEC rules, and that Ms. Chu is "independent" under applicable NYSE rules and SEC standards.

ITEM 16B. CODE OF ETHICS

The Company has adopted a code of ethics that applies to all of the Company's employees, including our Chief Executive Officer, Chief Financial Officer, principal accounting officer or controller. The code of ethics may be downloaded at our website (www.nat.bm).

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

A. Audit Fees

Our Board of Directors has established preapproval and procedures for the engagement of the Company's independent public accounting firms for all audit and non-audit services. The following table sets forth, for the two most recent fiscal years, the aggregate fees billed for professional services rendered by our principal accountant, KPMG AS, Oslo, Norway, Auditor Firm ID: 1363, for the fiscal years ended December 31, 2025 and 2024, respectively, for the audit of the Company's annual financial statements and services provided by the principal accountant in connection with statutory and regulatory filings or engagements for the years ended December 31, 2025 and 2024.

FISCAL YEAR ENDED DECEMBER 31, 2025	$	953,484
FISCAL YEAR ENDED DECEMBER 31, 2024	$	833,080

B. Audit-Related Fees

FISCAL YEAR ENDED DECEMBER 31, 2025	$	0
FISCAL YEAR ENDED DECEMBER 31, 2024	$	0

Audit-related fees consisted of assurance and related services rendered by the principal accountant related to the performance of the audit of our financial statements which have not been reported under Audit Fees above.

C. Tax Fees

Not applicable.

D. All Other Fees

Not applicable.

E. Audit Committee's Pre-Approval Policies and Procedures

Our audit committee pre-approves all audit, audit-related and non-audit services not prohibited by law to be performed by our independent auditors and associated fees prior to the engagement of the independent auditor with respect to such services.

F. Not applicable.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PERSONS.

Not applicable.

ITEM 16F. CHANGE IN REGISTRANT`S CERTIFYING ACCOUNTANT.

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

Pursuant to an exception for foreign private issuers, we, as a Bermuda company, are not required to comply with the corporate governance practices followed by U.S. companies under the NYSE listing standards (which are available at www.nyse.com) because in certain cases we follow our home country (Bermuda) practice. We believe that our established practices in the area of corporate governance are in line with the spirit of the NYSE standards and provide adequate protection to our shareholders. Transparency and integrity are two main values associated with Nordic American Tankers Ltd. Further information on NAT is on www.nat.bm. Corporate governance principles are important for NAT.

There are four significant differences between our corporate governance practices and the NYSE standards applicable to listed U.S. companies. The NYSE requires that non-management directors meet regularly in executive sessions without management. The NYSE also requires that all independent directors meet in an executive session at least once a year. As permitted under Bermuda law and our bye-laws, our non-management directors do not regularly hold executive sessions without management, and we do not expect them to do so in the future. The NYSE requires that a listed U.S. company have a nominating/corporate governance committee of independent directors and a committee charter specifying the purpose, duties and evaluation procedures of the committee. As permitted under Bermuda law and our bye-laws, we do not currently have a nominating or corporate governance committee. The NYSE requires, among other things, that a listed U.S. company have an audit committee with a minimum of three members, all of whom are independent. As permitted by Rule 10A-3 under the Securities Exchange Act of 1934, our audit committee consists of one independent member of our Board of Directors. The NYSE requires U.S. companies to adopt and disclose corporate governance guidelines. The guidelines must address, among other things: director qualification standards, director responsibilities, director access to management and independent advisers, director compensation, director orientation and continuing education, management succession and an annual performance evaluation. We are not required to adopt such guidelines under Bermuda law and we have not adopted such guidelines.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

We have adopted an insider trading policy governing the purchase, sale and other dispositions of our securities by our directors, senior management and employees. A copy of our insider trading policy is included as exhibit 11.1 to this annual report.

ITEM 16K. CYBERSECURITY

We maintain various cybersecurity measures to safeguard our systems and data. We have implemented processes for assessing, identifying, and managing material risks from cybersecurity threats, which are integrated into our overall risk management framework. These processes include access controls to organizational systems and data encryption and are designed to evaluate potential vulnerabilities and cybersecurity threats and minimize their potential impact on our organization's operations, assets, and stakeholders. We engage and rely on third-party cybersecurity specialists to enhance the effectiveness of our cybersecurity processes, improve our internal capabilities and stay abreast of evolving cybersecurity risks and best practices. We evaluate potential cybersecurity risks associated with our use of these third-party service providers and manage any identified risks in conjunction with such parties. In 2025, we did not detect any cybersecurity incidents that have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition.

As we do not have a dedicated board committee solely focused on cybersecurity, our full Board oversees the implementation of our cybersecurity strategy, as well as cybersecurity risks, with the aim of protecting our interests and assets. Our Chief Executive Officer, who has several years of experience in managing cyber security risk, has oversight responsibility for risks and incidents relating to cybersecurity threats and reports any findings and recommendations, as appropriate, to our Board of Directors for consideration.

We continue to invest in our cybersecurity systems and to enhance our internal controls and processes. Our business strategy, results of operations and financial condition have not been materially affected by risks from cybersecurity threats, but we cannot provide assurance that they will not be materially affected in the future by such risks or any future material incidents. For more information about risks associated with cybersecurity, see "Item 3.D. Risk Factors— Risks Related to Our Business and Financial Condition — We rely on our information systems to conduct our business, and failure to protect these systems against security breaches could adversely affect our business and results of operations. Additionally, if these systems fail or become unavailable for any significant period of time, our business could be harmed."

PART III

ITEM 17. FINANCIAL STATEMENTS

See Item 18.

ITEM 18. FINANCIAL STATEMENTS

The financial information required by this Item is set forth on pages F-1 to F-24 filed as part of this annual report.

ITEM 19. EXHIBITS

1.1	Memorandum of Association of the Company incorporated by reference to Exhibit 1.1 to the Company's annual report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2012.
1.2	Bye-Laws of the Company incorporated by reference to Form 6-K filed with the Securities and Exchange Commission on January 18, 2012.
2.1	Form of Share Certificate incorporated by reference to Exhibit 2.1 to the Company's annual report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2012.
2.2	Shareholder Rights Agreement dated as of June 16, 2017 by and between the Company and Computershare Trust Company, N.A., as rights agent incorporated by reference to Form 6-K filed with the Securities and Exchange Commission on June 16, 2017.
2.3	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 incorporated by reference to Exhibit 2.3 to the Company's annual report on Form 20-F filed with the Securities and Exchange Commission on April 16, 2020.
4.11	Amended and Restated 2011 Equity Incentive Plan, incorporated by reference to Exhibit 4.11 to the Company's annual report on Form 20-F for the fiscal year ended December 31, 2022 filed with the Securities and Exchange Commission on April 27, 2023.
8.1	Subsidiaries of Nordic American Tankers Limited*
11.1	Insider trading policy
12.1	Rule 13a-14(a)/15d-14(a) Certification of the Chief Executive Officer.*
12.2	Rule 13a-14(a) /15d-14(a) Certification of the Chief Financial Officer.*
13.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
13.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

15.1	Consent of Independent Registered Public Accounting Firm – KPMG AS.*
15.2	Consent of Fearnleys*
97.1	Policy Regarding the Recovery of Erroneously Awarded Compensation
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Schema Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Schema Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Schema Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Schema Presentation Linkbase Document

* Filed herewith.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and has duly caused and authorized the undersigned to sign this annual report on its behalf.

NORDIC AMERICAN TANKERS LIMITED
April 29, 2026

/s/Herbjørn Hansson
Name: Herbjørn Hansson
Title: Founder, Chairman, President, and Chief Executive Officer

NORDIC AMERICAN TANKERS LIMITED

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Nordic American Tankers Limited:

Opinion on Internal Control Over Financial Reporting

We have audited Nordic American Tankers Limited and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements), and our report dated April 29, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's annual report on internal control over financial reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG AS

Oslo, Norway
April 29, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Nordic American Tankers Limited:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Nordic American Tankers Limited and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated April 29, 2026, expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment indicators of vessels

As discussed in Note 4 to the consolidated financial statements, the carrying value of vessels as of December 31, 2025 was $748,207 thousand. As discussed in Note 2 to the consolidated financial statements, at each reporting date, the Company reviews its vessels for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The Company's evaluation of events or circumstances that may indicate impairment include, amongst others, an assessment of estimated cash flows, influenced primarily by future charter rates. The Company did not identify any indicators of impairment as of December 31, 2025.

We identified the assessment of indicators of impairment for vessels as a critical audit matter. A higher degree of subjective auditor judgment was required to assess the Company's evaluation of events or circumstances that impact estimated cash flows, particularly estimated future charter rates including charter rates for the initial two-year period and for the remaining estimated useful life of the vessel. Changes in assumptions about estimated future charter rates could have a significant effect on the Company's conclusion regarding indicators of impairment.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of an internal control related to the Company's identification and evaluation of indicators of impairment, including an assessment of estimated future charter rates. We evaluated the Company's estimated future charter rates for 2026 and 2027 by comparing the Company's historical expected future charter rates to actual charter rates and comparing current expectations of charter rates to forecasts from brokers and publicly available information about the industry. To evaluate the Company's estimated charter rates from 2028 to the end of the useful life of the vessel, we compared the Company's estimated future charter rates to both Company specific historical results and to historical charter rates from brokers and publicly available information about the industry.

/s/ KPMG AS

We have served as the Company's auditor since 2015.

Oslo, Norway
April 29, 2026

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NORDIC AMERICAN TANKERS LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
All figures in USD ‘000, except share and per share amount

	Year Ended December 31,		
	2025	**2024**	**2023**
Voyage Revenues	291,690	349,742	391,687
Other Income	730	-	-
Voyage Expenses	(109,880)	(124,646)	(129,507)
Vessel Operating Expenses	(66,938)	(62,809)	(60,003)
Depreciation Expense	(57,735)	(56,151)	(51,397)
Gain on Disposal of Vessels	16,621	-	-
General and Administrative Expenses	(28,143)	(28,825)	(22,890)
Net Operating Income	**46,345**	**77,311**	**127,890**
Interest Income	1,608	731	1,302
Interest Expense	(35,752)	(30,739)	(30,498)
Other Financial Income (Expense)	118	(670)	137
Total Other Expenses	**(34,026)**	**(30,678)**	**(29,059)**
Net Income Before Income Taxes	**12,319**	**46,633**	**98,831**
Income Tax Expense (benefit)	(48)	10	(120)
Net Income	**12,271**	**46,643**	**98,711**
Basic and Diluted Income per Share	0.06	0.22	0.47
Basic Average Number of Common Shares Outstanding	211,750,663	209,227,286	208,796,444
Diluted Average Number of Common Shares Outstanding	211,750,663	209,898,006	208,811,300

The accompanying notes are an integral part of these consolidated financial statements.

NORDIC AMERICAN TANKERS LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
All figures in USD '000, except share and per share amount

	Year Ended December 31,		
	2025	**2024**	**2023**
Net Income	12,271	46,643	98,711
Other Comprehensive Income (Loss)			
Translation Differences	625	(55)	(89)
Unrealized Gain (Loss) on Defined benefit plan	42	327	(192)
Other Comprehensive Income (Loss)	**667**	**272**	**(281)**
Total Comprehensive Income	**12,938**	**46,915**	**98,430**

The accompanying notes are an integral part of these consolidated financial statements.

NORDIC AMERICAN TANKERS LIMITED
CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2025, AND 2024
All figures in USD '000, except share and per share amount

	As of December 31,	
Assets	**2025**	**2024**
Current Assets		
Cash and Cash Equivalents	45,863	39,177
Restricted Cash	-	5,207
Accounts Receivable, Net	19,039	16,223
Prepaid Expenses	8,401	6,227
Inventory	19,930	21,931
Voyages in Progress	17,566	6,570
Other Current Assets	4,053	3,436
Vessels Held for Sale	36,016	-
Total Current Assets	**150,868**	**98,771**
Non-Current Assets		
Vessels	748,207	715,273
Right of Use Assets	738	975
Other Non-Current Assets	2,351	2,568
Total Non-Current Assets	**751,296**	**718,816**
Total Assets	**902,164**	**817,587**
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts Payable	2,528	4,257
Accrued Voyage Expenses	15,242	12,294
Deferred Revenue	3,836	5,632
Other Current Liabilities	10,410	7,572
Dividends Payable	0	8,470
Current Portion of Long-Term Debt	35,404	21,560
Total Current Liabilities	**67,420**	**59,785**
Non-Current Liabilities		
Long-Term Debt	388,740	248,144
Other Non-Current Liabilities	483	845
Total Non-Current Liabilities	**389,223**	**248,989**
Commitments and Contingencies	-	-
Shareholders' Equity		
Common Stock, par value $0.01 per share 360,000,000 authorized, 211,750,663 and 211,750,663 issued and outstanding at December 31, 2025, and 2024, respectively.	2,117	2,117
Additional Paid-In Capital	198,206	198,206
Contributed Surplus	244,955	321,185
Accumulated Other Comprehensive Loss	(1,155)	(1,822)
Retained Earnings (Accumulated Deficit)	1,398	(10,873)
Total Shareholders' Equity	**445,521**	**508,813**
Total Liabilities and Shareholders' Equity	**902,164**	**817,587**

The accompanying notes are an integral part of these consolidated financial statements.

NORDIC AMERICAN TANKERS LIMITED

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

All figures in USD '000, except number of shares

	Number of Shares	Treasury Shares	Common Stock	Additional Paid-In Capital	Contributed Surplus	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total Shareholders' Equity
Balance at January 31, 2023	**208,796,444**	**-**	**2,087**	**188,801**	**507,134**	**(1,813)**	**(156,227)**	**539,982**
Net Income	-	-	-	-	-	-	98,711	98,711
Other Comprehensive Loss	-	-	-	-	-	(281)	-	(281)
Share Based Compensation	-	-	-	2,203	-	-	-	2,203
Dividends	-	-	-	-	(102,311)	-		(102,311)
Balance at December 31, 2023	**208,796,444**	**-**	**2,087**	**191,004**	**404,823**	**(2,094)**	**(57,516)**	**538,304**
Net Income	-	-	-	-	-	-	46,643	46,643
Common Shares Issued, net of $0.3 million issuance cost	2,954,219	-	30	8,902	-	-	-	8,932
Other Comprehensive Income	-	-	-	-	-	272	-	272
Share Based Compensation	-	-	-	1,847	-	-	-	1,847
Repurchase of Equity Awards	-	-	-	(3,547)	-	-	-	(3,547)
Dividends	-	-	-	-	(83,638)	-	-	(83,638)
Balance at December 31, 2024	**211,750,663**	**-**	**2,117**	**198,206**	**321,185**	**(1,822)**	**(10,873)**	**508,813**
Net Income	-	-	-	-	-	-	12,271	12,271
Other Comprehensive Loss	-	-	-	-	-	667	-	667
Share Based Compensation	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	(76,230)	-	-	(76,230)
Balance at December 31, 2025	**211,750,663**	**-**	**2,117**	**198,206**	**244,955**	**(1,155)**	**1,398**	**445,521**

The accompanying notes are an integral part of these consolidated financial statements.

NORDIC AMERICAN TANKERS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
All figures in USD '000

	Year Ended December 31,		
Cash Flows from Operating Activities	**2025**	**2024**	**2023**
Net Income	12,271	46,643	98,711
Reconciliation of Net Income (Loss) to Net Cash Provided by / (Used In) Operating Activities			
Depreciation Expense	57,735	56,151	51,397
Impairment Loss on Vessels	-	-	-
Gain on Disposal of Vessels	(16,621)	-	-
Drydock Expenditure	(17,321)	(1,874)	(9,497)
Amortization of Deferred Finance Costs	745	850	1,447
Share-based Compensation	-	1,847	2,203
Other, net	273	(590)	(150)
Changes in Operating Assets and Liabilities			
Accounts Receivables	(2,877)	10,065	(5,813)
Inventory	2,000	9,252	(5,753)
Prepaid Expenses and Other Current Assets	(2,791)	(2,763)	2,558
Accounts Payable and Accrued Liabilities	(2,594)	3,970	(8,477)
Voyages in Progress	(10,996)	4,607	12,819
Net Cash Provided by Operating Activities	**19,824**	**128,158**	**139,445**
Cash Flows from Investing Activities			
Investment in Vessels	(134,450)	(870)	(73,526)
Investment in Other Fixed Assets	-	(1,750)	(144)
Proceeds from Sale of Vessels	46,751	-	-
Net Cash Used in Investing Activities	**(87,699)**	**(2,620)**	**(73,670)**
Cash Flows from Financing Activities			
Proceeds from Borrowing activities	190,659	-	-
Proceeds from Issuance of Common Stock	-	8,932	-
Repurchase of Equity Awards	-	(3,547)	-
Proceeds from Vessel Financing	-	-	54,000
Repayment of Vessel financing	(26,227)	(20,662)	(14,671)
Repayments on Borrowing Facility	(8,225)	(12,079)	(44,549)
Transaction Costs Borrowing Facilities	(2,514)	-	(669)
Dividends Distributed	(84,700)	(87,695)	(89,783)
Net Cash Provided by / (Used In) Financing Activities	**68,993**	**(115,051)**	**(95,672)**
Net Increase / (Decrease) in Cash, Cash Equivalents, and Restricted Cash	**1,118**	**10,487**	**(29,897)**
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year	**44,384**	**33,361**	**63,302**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	361	536	(44)
Cash, Cash Equivalents, and Restricted Cash at End of Year	**45,863**	**44,384**	**33,361**
Supplemental Disclosure of Cash Flow information			
Cash and Cash Equivalents	45,863	39,177	31,078
Restricted Cash	-	5,207	2,283
Total Cash, Cash equivalents and Restricted Cash Shown in the Statement of Cash Flows	45,863	44,384	33,361
Cash Paid for Taxes	33	10	23
Cash Paid for Interest, Net of Amounts Capitalized	35,007	29,890	29,040

The accompanying notes are an integral part of these consolidated financial statements.

NORDIC AMERICAN TANKERS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in USD '000 except where noted)

1. NATURE OF BUSINESS

Nordic American Tankers Limited ("NAT") was formed on June 12, 1995, under the laws of the Islands of Bermuda. The Company's shares trade under the symbol "NAT" on the New York Stock Exchange. The Company was formed for the purpose of acquiring and chartering out double-hull tankers.

The Company is an international tanker company that had a fleet of 20 Suezmax tankers as of December 31, 2025. During 2025, the Company acquired the vessels Nordic Galaxy in March 2025 and Nordic Moon in April 2025 and sold the vessels Nordic Apollo in February 2025 and Nordic Castor in June 2025. In December 2025, the Company entered into agreements to sell the vessels Nordic Luna and Nordic Sprinter, which were delivered to the buyers in January 2026 and were classified as held for sale as of December 31, 2025. In addition, the Company signed a letter of intent on November 6, 2025, effectively entering into a shipbuilding contract with a South Korean shipyard for the construction of two Suezmax tankers scheduled for delivery in the second half of 2028. These transactions are part of the Company's ongoing strategy to renew and modernize its fleet while maintaining a homogeneous Suezmax fleet.

The vessels in the fleet are considered homogeneous and interchangeable as they have approximately the same freight capacity and ability to transport the same type of cargo. The fleet of 20 Suezmax tankers are predominantly employed in the spot market, with some vessels chartered out on longer term time charter contracts. The two vessels built in 2022 are chartered out on six-year time charter agreements that expire in 2028, one vessel built in 2016 is chartered out on a five-year contract that commenced in late 2024 and one 2018-built vessel is chartered out on a two-year contract that also commenced in late 2024. Occasionally the Company also charters out vessels on shorter-term time-charter agreements. The company have two vessels classified as "Held for Sale" as of December 31, 2025.

The Company's Fleet

The Company's fleet as of December 31, 2025, consists of 20 Suezmax crude oil tankers of which the vast majority have been built in Korea.

Vessel	Built in	Deadweight Tons
Nordic Pollux	2003	150,103
Nordic Luna	2004	150,037
Nordic Sprinter	2005	159,089
Nordic Freedom	2005	159,331
Nordic Skier	2005	159,089
Nordic Cross	2010	158,475
Nordic Light	2010	158,475
Nordic Vega	2010	163,940
Nordic Breeze	2011	158,597
Nordic Zenith	2011	158,645
Nordic Galaxy	2016	157,781
Nordic Hawk	2016	158,594
Nordic Moon	2016	157,718
Nordic Star	2016	157,738
Nordic Space	2017	157,582
Nordic Aquarius	2018	157,338
Nordic Cygnus	2018	157,526
Nordic Tellus	2018	157,407
Nordic Harrier	2022	157,094
Nordic Hunter	2022	157,037

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: These consolidated financial statements ("financial statements") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Principles of Consolidation: Entities in which NAT has controlling financial interest are consolidated. Subsidiaries are consolidated from the date on which control is obtained. The subsidiaries' accounting policies are in conformity with U.S. GAAP. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates: Preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The effects of changes in accounting estimates are accounted for in the same period in which the estimates are changed.

Foreign Currency Translation: The functional currency of the Company is the United States ("U.S.") dollar as substantially all revenues are denominated in U.S. dollars, and the majority of the expenditures are incurred and paid in U.S. dollars. Transactions in foreign currencies during the year are translated into U.S. dollars at the rates of exchange in effect at the date of the transaction**.** The Company's subsidiaries NAT Chartering AS, and the European branch of Scandic American Shipping Ltd, have Norwegian kroner as their functional currency. All assets and liabilities of those entities are translated into U.S. dollars as of each balance sheet date. Translation gains and losses are reflected in shareholders' equity as part of accumulated other comprehensive loss.

Revenue and Expense Recognition: Revenues are recognized on an accrual basis. Revenues are generated from spot and time charters.

Spot Charters: For vessels operating on spot charters, voyage revenues are recognized rateably over the estimated length of each voyage, on a load-to-discharge basis and, therefore, are allocated between reporting periods based on the relative transit time in each period. Voyage expenses are capitalized between the discharge port of the immediately previous cargo, or contract date if later, and the load port of the cargo to be chartered if they qualify as fulfilment costs. Incremental cost to obtain a contract is capitalized and amortized on a straight-line basis over the estimated length of each voyage, calculated on a load-to-discharge basis, in line with fulfilment of the performance obligation. Voyage expenses are recognized when such costs are incurred. Expected losses that are deemed probable on voyages are provided for in full at the time such losses can be estimated. A voyage is deemed to commence upon loading of cargo and is deemed to end upon the completion of discharge of the same cargo. The Company does not capitalize fulfilment cost or recognize revenue if a charter has not been contractually committed to by a customer.

As the Company's performance obligations are services which are received and consumed by our customers as we perform such services, revenues are recognized over time proportionate to the days elapsed since the service commencement compared to the total days anticipated to complete the service. Freight is generally billed to the customers after the cargo has been discharged and the performance obligation fulfilled by the Company. The Company is responsible for paying voyage expenses and the charterer is responsible for any delay at the load and discharge ports. Demurrage earned during a spot charter represents a variable consideration. The Company recognizes such revenues in the voyage estimates only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Voyage estimates are reviewed and updated over the duration of the spot charter contract. When the Company's tankers are operating on spot charters the vessels are traded fully at the risk and reward of the Company. The Company considers it appropriate to present the gross amount of earned revenue from the spot charter, showing voyage expenses related to the voyage separately in the Statements of Operations.

Time Charters: Under a time charter, the charterer pays for the voyage expenses, such as port, canal and fuel costs, while the Company pays for vessel operating expenses, including, among other costs, crew costs, provisions, deck and engine stores, lubricating oil, insurance, maintenance and repairs and costs relating to a vessel's intermediate and special surveys. Revenues from time charter contracts where the Company is a lessor are accounted for as fixed rate operating leases under ASC 842 Leases and are recognized daily over the term of the charter. Time charter revenues are generally billed to the customers on a monthly basis in advance before and through the charter period. Time charter agreements with profit-sharing are recognized when the contingency related to it is resolved. The Company has applied the practical expedient to not separate non-lease components from the associated lease component and instead to account for those components as a single component if the non-lease component otherwise would be accounted for under the new revenue guidance (ASC 606); and both of the following are met: (1) the timing and patterns of transfer of the non-lease component and associated lease are the same; and (2) the lease component, if accounted for separately, would be classified as an operating lease.

Vessel Operating Expenses: Vessel operating expenses include crewing, repair and maintenance, insurance, stores, lubricants, management fee, communication expenses and tonnage tax. These expenses are recognized when incurred.

Cash, Cash Equivalents and Restricted Cash: Cash, cash equivalents and Restricted Cash consist of highly liquid investments such as time deposits with original maturities when acquired of three months or less. Amounts included in restricted cash represent those required to be set aside by a contractual agreement with a banking institution for the payment of future estimated drydocking expenditure related to the vessels used as collateral.

Accounts Receivable, Net: Accounts receivable and other receivables are presented net of allowance for doubtful balances. The Company regularly reviews its accounts receivables and estimates the amount of uncollectible receivables each period and provides for an allowance for uncollectable amounts. The assessment of the allowance is based on the age of the unpaid receivables, financial status of the customer and other relevant information.

Inventories: Inventories are comprised of bunker fuel and lubrication oil. Cost is determined on a first-in, first-out ("FIFO") basis.

Vessels: Vessels are stated at their historical cost, which consists of the contracted purchase price and any direct expenses incurred upon acquisition (including improvements, on site supervision expenses incurred during the construction period, commissions paid, delivery expenses and other expenditures to prepare the vessel for its initial voyage) less accumulated depreciation and impairment. Financing costs incurred during the construction period of the vessels are capitalized and included in vessels' cost for qualifying assets. Certain subsequent expenditures for conversions and major improvements are capitalized if it is determined that they appreciably extend the life, increase the earning capacity or improve the efficiency or safety of the vessel. Depreciation is calculated based on cost less estimated residual value and is expensed over the estimated useful life of the related assets using the straight-line method. The residual value is estimated to be $8.0 million per vessel, and the estimated useful life of a vessel is 25 years from the date the vessel is delivered from the shipyard. Estimated useful life of ballast tank improvements is eight years. Ordinary repairs and maintenance are expensed as incurred. Vessels are classified separately as held for sale as part of current assets in the balance sheet when their carrying amount is expected to be recovered through a sale rather than continued use. For this to be the case, certain criteria should be met including, but not limited to, that the vessel must be available for immediate sale in its present condition, an active program to locate a buyer must be initiated, its sale must be highly probable, and the sale should be expected to be completed within one year. Vessels classified as held for sale are stated at their fair value less cost to sell. Fair value is based on broker estimates that could be adjusted if there are comparable transactions available.

Impairment of Vessels: The Company reviews for impairment long-lived assets held and used whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Undiscounted future cash flows are estimated on a vessel-by-vessel basis if events or change in circumstances indicate that carrying amounts may not be recoverable. When applicable, estimates of future undiscounted cash flows are prepared and include assumptions and estimates about the vessels' future performance, with the significant assumptions being related to charter rates, fleet utilization, operating expenses, capital expenditures/periodical maintenance, residual value and the estimated remaining useful life of each vessel. The assumptions used to develop estimates of future undiscounted cash flows are based on historical trends as well as future expectations. The estimated net operating cash flows are determined by considering an estimated daily time charter equivalent for the remaining operating days of the vessel, net of brokerage commissions, expected outflows for vessels' maintenance and vessel operating expenses (including planned drydocking expenditures). The Company estimates the daily time charter equivalent for the remaining operating days, utilizing available market data for spot market rates for the initial two-year period and the most recent fifteen-year historical company-specific average rates for the remaining estimated life of the vessel. The Company may apply a probability-weighted approach when estimating undiscounted cash flows if multiple outcomes are reasonably possible, such as vessel sales or to account for estimation uncertainty. If the Company's estimate of undiscounted future cash flows for any vessel is lower than the vessel's carrying value, the carrying value is written down to its fair value, by recording an impairment charge. The impairment loss is determined by the difference between the carrying amount of the asset and its fair value. Fair value is based on broker estimates that could be adjusted if there are comparable transactions available.

Drydocking: The Company's vessels are required to be drydocked approximately every 30 to 60 months. The Company capitalizes eligible costs incurred during drydocking and amortizes those costs on a straight-line basis from the completion of a drydocking or intermediate survey to the estimated completion of the next drydocking. Drydocking costs include a variety of costs incurred while vessels are placed within drydock, including expenses related to the dock preparation and port expenses at the drydock shipyard, general shipyard expenses, expenses related to hull, external surfaces and decks, expenses related to machinery and engines of the vessel, as well as expenses related to the testing and correction of findings related to safety equipment on board. The Company includes in capitalized drydocking those costs incurred as part of the drydock to meet classification and regulatory requirements. Expenditures for normal repairs and maintenance performed during drydocking are expensed as incurred. The capitalized and unamortized drydocking costs are included in the book value of the vessels. Amortization expense of the drydocking costs is included in depreciation expense.

Leases: The Company bareboat charters certain vessels under leasing agreements. Sale-leaseback arrangements where the transaction is not considered a sale under ASC 606 are accounted for as a financing transaction. Consideration received in such sale-leaseback arrangements is recorded as a financial liability. Each lease payment is allocated between liability and interest expense to achieve a constant rate on the financial liability outstanding. The interest element is charged as Interest Expense over the lease period. The Company has certain office lease contracts resulting in a right-of-use asset and a lease liability and the Company has applied an incremental borrowing rate as the discount rate to calculate the respective asset and liability. The Company determines if an arrangement is or contains a lease at contract inception. The Company recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date. For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date. Optional periods are not included in the calculation. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received. For operating leases, the right-of-use asset is subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Segment Information: The Company has identified only one operating segment for which it derives all of its revenues, the ocean transportation of crude oil in international markets by its fleet of Suezmax tankers. The Company does not provide a geographical analysis because the Company's business is global in nature and the location of its vessels continually changes. The Company's chief operating decision maker ("CODM") is our Chairman and Chief Executive Officer. The CODM assesses segment performance and allocates resources based on segment measures of consolidated net income and consolidated total assets as reported in our Consolidated Statement of Operations and Consolidated Balance Sheets, respectively. The CODM reviews quarterly variances of consolidated net income and consolidated total assets in light of market trends and cash flow forecasts when making resources allocation decisions.

Fair Value of Financial Instruments: The fair values of cash, cash equivalents and restricted cash, accounts receivable, accounts payable and accrued liabilities approximate carrying value because of the short-term nature of these instruments.

Deferred Financing Costs: Financing costs, including fees, commissions and legal expenses are deferred and amortized over the term of the arrangement, which approximates the effective interest method. Incurred fees related to loans not yet drawn are presented as Other non-current Assets. Unamortized deferred financing costs are deducted from the carrying value of the associated financial liability.

Share Based Compensation:
The Company grants stock options as incentive-based compensation to certain employees. The Company measures the cost of such awards using the grant date fair value of the award and recognizes that cost over the requisite service period.

Income Taxes: The Company is incorporated in Bermuda. Under current Bermuda law, the Company is not subject to corporate income taxes. The statutory applicable rate to consolidated corporate earnings is 0%.

Two of the Company's subsidiaries are located in Norway and are subject to income tax in that jurisdiction at 22% for the years ended December 31, 2025, 2024 and 2023, respectively, of their taxable profit. The income tax expensed for year ended December 31, 2025, 2024 and 2023 was ($48,000), $10,000 and ($120,000), respectively. Deferred tax assets related to these entities are insignificant. The Company does not have any unrecognized tax benefits, material accrued interests or penalties related to income taxes.

Concentration of Credit Risk: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents and accounts receivable. The Company's cash is primarily held in major banks and financial institutions and typically insured up to a set amount. Accordingly, the Company believes the risk of any potential loss on deposits held in these institutions is remote. Concentrations of credit risk relative to accounts receivable are limited to our client base in the oil and energy industry that may be affected by changes in economic or other external conditions. The Company does not require collateral for its accounts receivable.

For the years ending December 31, 2025, December 31, 2024, and December 31, 2023, two customers accounted for 18.14%, two customers accounted for 22.5% and one customer for 20.5% of the voyage revenues, respectively.

Accounts receivable, Net, as of December 31, 2025, and December 31, 2024, were $19.039 million and $16.233 million, respectively. As of December 31, 2025, six charterers accounted for 60.85% of the outstanding accounts receivable, each representing 14.32%, 13.60%, 9.95%, 9.20%, 7.65% and 6.13% of the balance. As of December 31, 2024, six charterers accounted for 65.7% of the outstanding accounts receivable, each representing 21.2%, 13.4%, 12.7%, 7.1%, 5.8% and 5.5% of the balance. Accounts Receivable, Net, as of December 31, 2025, and December 31, 2024, are net of a provision for credit losses of $406,103 and $195,000, respectively.

Recently Adopted Accounting Standards and Recent Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This update expands the required disclosures related to income taxes, including additional detail on the effective tax rate reconciliation and taxes paid. The implementation of ASU 2023-09 did not have a material effect on the Company's consolidated financial statements.

In November 2024, the Financial Accounting Standards Board issued ASU 2024-03, Income Statement—Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03"), which requires enhanced disaggregation of certain expense categories presented in the income statement. The guidance is intended to improve transparency by requiring additional detail about the nature and composition of expenses. The Company is currently evaluating the impact of adopting ASU 2024-03 on its financial statement and disclosure.

In 2024, the Company adopted the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) 2023-07 (ASC 280), *Improvements to Reportable Segment Disclosures* ("ASU 2023-07"), which amends the segment reporting requirements under ASC Topic 280, *Segment Reporting*. The updated guidance is intended to enhance the transparency and decision-usefulness of segment disclosures for investors and other financial statement users. The improved disclosure requirements apply to all public entities that are required to report segment information, including those with only one reportable segment. ASU 2023-07 (ASC 280) requires entities to disclose significant revenues and expenses included in each reported measure of segment profit or loss as well as total assets of each reportable segment. Entities are further required to disclose information about profit or loss and assets reviewed or otherwise regularly provided to the CODM. The FASB issues Accounting Standards Updates ("ASU") to communicate changes to the codification. The Company considers the applicability and impact of ASUs issued.

3. REVENUES

Our voyage revenues consist of time charter revenues and spot charter revenues with the following split:

All figures in USD '000	**2025**	**2024**	**2023**
Spot Charter Revenues	211,952	273,633	346,409
Time Charter Revenues	79,738	76,109	45,278
Total Voyage Revenues	291,690	349,742	391,687

The future minimum revenues as at December 31, 2025, related to time charter agreements are as follows:

All figures in USD '000	**Amount**
2026	60,148
2027	31,516
2028	20,637
2029	13,156
2030 and thereafter	1,622
Total Future Minimum Revenues	127,079

Time charter revenues specified in the table above include revenues from six vessels in 2026, three vessels in 2027, three vessels in 2028 and one vessel in 2029.

Our spot voyage contracts have a duration of one year or less and we applied the exemption related to excluding the disclosure of remaining performance obligations. As of December 31, 2025, and 2024, the Company has capitalized fulfilment costs of $0.7 million and $1.5 million, respectively. Revenues from two customers amounted to 18.14%, from two customer 22.5% and from two customer 20.5% of the Company consolidated revenues for the twelve months ended December 31, 2025, 2024 and 2023, respectively.

Accounts receivable, net as at December 31, 2023 were $26.3 million. Voyages in progress current assets were $11.2 million as at December 31, 2023. Deferred revenue current liabilities were $3.9 million as at December 31, 2023.

The Company recognized $5.6 million in voyage revenue for the year ended December 31, 2025, that was included in deferred revenue as at December 31, 2024. The Company recognized $3.9 million in voyage revenue for the year ended December 31, 2024 that was included in the deferred revenue as at December 31, 2023.

Voyages in progress current assets were $17.6 million and $6.6 million as of December 31, 2025, and 2024, respectively. Voyages in progress current assets fluctuate based on the number of vessels on time charter hire at year-end, the time charter fixture rates and the vessels overall progress towards their discharge port of destination. As of December 31, 2025 there were a total of 9 vessels fixed on spot charters compared to a total of 8 voyages fixed on spot charters as of December 31, 2024.

4. VESSELS

Vessels consists of the carrying value of 20 vessels for the year ended December 31, 2025, and December 31, 2024, respectively. Vessels includes capitalized drydocking costs.

All figures in USD '000	**2025**	**2024**
Vessels Cost as of January 1	1,153,392	1,152,522
Additions Vessels	133,748	870
Disposals Vessels	(102,716)	-
Drydocking Cost as of January 1	81,473	79,599
Additions Drydocking	23,242	1,874
Disposals Drydocking	-	-
Total Cost Vessels and Drydocking	**1,289,139**	**1,234,865**
Less Accumulated Depreciation	(490,843)	(505,519)
Less Accumulated Impairment Loss on Vessels	(14,073)	(14,073)
Less Vessels Held for Sale	(36,016)	-
Net Book Value Vessels as of December 31	**748,207**	**715,273**

Impairment and Gain on Disposal of Vessels

The Company has not recorded impairment losses on any of its vessels for the years ended December 31, 2025, December 31, 2024, and December 31, 2023, respectively.

The Company sold and delivered two vessels during 2025, the 2003 build Nordic Apollo and the 2004 build Nordic Castor. The aggregated gains of $16.6 million recognized on these sales is presented as "Gain on Disposal of Vessels" in the consolidated statement of operations. No vessels were sold in 2024.

If events or change in circumstances indicate that carrying amounts may not be recoverable, the Company reviews its vessels for impairment on an asset-by-asset basis by comparing the carrying value of its vessels to estimated undiscounted cash flows for the remaining useful life of its vessels. If applicable, the Company develops undiscounted future cash flows for the remaining useful life of the vessels with assumptions and estimates made based on historical trends as well as future expectations. The most important assumption in determining undiscounted cash flows are the estimated charter rates. Charter rates are volatile, and the analysis have in prior periods been based on market rates obtained from third parties, in combination with historical rates achieved by the Company. No events or change in circumstances were identified as of December 31, 2025, that indicated that the carrying values may not be recoverable.

5. RELATED PARTY TRANSACTIONS

The Company has an agreement with a company owned by a Board member for the use of an asset for corporate and marketing activities. The Company has in 2025, 2024 and 2023 paid operating costs of $1.8 million, $1.4 million and $1.3 million, and fees associated with actual use. In 2025, 2024 and 2023, the Company recognized an expense of $0.1 million, $0.1 million and $0.2 million, respectively, for utilization of the asset. No amounts were due to the related party as of December 31, 2025, or December 31, 2024.

6. OTHER NON-CURRENT ASSETS

All figures in USD '000	**2025**	**2024**
Fixture, Furniture and Equipment, Net	641	749
Other property, plant and equipment	1,710	1,819
Total as of December 31,	**2,351**	**2,568**

7. SHARE-BASED COMPENSATION PLAN

In 2011, the Board of Directors decided to establish an incentive plan, and the Company has amended its 2011 Equity Incentive Plan (the "Plan") in 2015, 2019 and 2022. 4,000,000 stock options were authorized under the Plan, as of December 31, 2023. The Stock Option plan was settled during 2024, and no option were authorized under the plan, as of December 31, 2024.

Stock Option Awards

In October 2022, 989,000 stock options granted in 2019 under the 2011 Equity Incentive Plan vested without any options being exercised as the strike price was above the share price at the vesting date. After the expiration in October 2022, these options became eligible for re-distribution, and the Company had a total of 1,000,000 stock options available for redistribution.

In November 2022, the 2011 Equity Incentive Plan was amended to reserve an additional 3,000,000 stock options for issuance to persons employed in the management of the Company and members of the Board of Directors. The Company granted 3,990,000 stock options with vesting over a period of two years and an exercise price of $3.60 per share, adjusted for dividends. The options are exercisable in a period of twelve months following the vesting date.

The Company used the Black-Scholes option pricing model to measure the grant date fair value of the options with the following assumptions applied to the model;

	Assumptions
Volatility	69.0%
Dividend yield*	0.0%
Risk-free interest rate	4.54%
Weighted-average grant date fair value	$ 1.15

*Applied nil as the exercise price is adjusted for dividends

The expected volatility was based on historical volatility observed from historical company-specific data during the two years prior to the grant date. The compensation expense related to equity incentive awards was $1.8 million and $2.2 million for the years ended December 31, 2024 and December 31, 2023, respectively. During 2023, 135,000 stock options forfeited and a cost of $0.1 million was reversed. No stock options were forfeited during 2024 and as of November 1, 2024, upon expiration of the vesting period, there were 3,855,000 options outstanding. The Company decided to settle the outstanding stock options for a cash payment to the participants of $1.15 per option. The Company calculated the fair value of the stock option to be $0.93 as of the settlement and as such the settlement is $0.23 higher than the fair value. The Company recognized compensation cost of $0.89 million in November 2024, related to the settlement of the option.

8. LONG-TERM DEBT AND CURRENT PORTION OF LONG-TERM DEBT

The Company has two lenders financing its fleet of twenty Suezmax tankers; (1) Senior Secured Credit Facility – Beal Bank (Amended and Restated 2025), secured by seven vessels, Nordic Space, Nordic Star, Nordic Breeze, Nordic Zenith, Nordic Cross, Nordic Light and Nordic Vega. (2) Ocean Yield, financing of eight of our vessels, Nordic Aquarius, Nordic Cygnus, Nordic Tellus, Nordic Harrier, Nordic Hunter, Nordic Hawk, Nordic Galaxy and Nordic Moon.

Senior Secured Credit Facility – Beal Bank (Amended and Restated 2025)

On February 6, 2025, the Company entered into a five-year Senior Secured Credit Agreement with Beal Bank, referred to as the "Amended and Restated Agreement", maturing in February 2029, in the aggregate amount of $150 million. The Amended and Restated Agreement amended the previous loan agreement with Beal Bank which matured in February 2025. In connection with the amended and restated agreement, restrictions on cash have been lifted and as of December 31, 2025, the Company does not hold any restricted cash.

The Amended and Restated Facility refinanced the Company's previous 2019 Senior Secured Credit Facility and $30 million accordion loan. The facility consists of an existing loan of approximately $72 million and a new disbursement of approximately $78 million and is structured as a single loan secured by seven Suezmax vessels (the "Revised Collateral"). Vessels that were pledged under the previous facility are no longer part of the collateral package.

In addition, the facility includes a $100 million delayed draw facility available for future fleet expansion, subject to a maximum loan-to-value ratio of 50%. Amounts drawn under the delayed draw facility may be subject to mandatory prepayment unless otherwise waived by the lender. The Amended and Restated Agreement includes financial covenants requiring the Company to maintain minimum liquidity of $20.0 million and a maximum loan-to-vessel value ratio of 70%. The agreement also includes a semi-annual Excess Cash Sweep mechanism based on aggregate revenues generated by the collateral vessels, less;
(i) amounts due to the lenders and agent, and
(ii) fixed per-vessel daily amounts representing estimated operating expenses, capital expenditures and general and administrative expenses.
The percentage of Excess Cash to be prepaid depends on the loan-to-value ratio (LTV) at the time of calculation:

- LTV < 50% → 25% of Excess Cash must be prepaid
- LTV ≥ 50% but < 70% → 50% of Excess Cash must be prepaid
- LTV ≥ 70% → 100% of Excess Cash must be prepaid

The seven vessels released from the collateral are unencumbered; however, as of the reporting date, only one of these vessels remains unsold. This provides the Company with some additional financial flexibility. The Amended and Restated Agreement also contains customary events of default and acceleration provisions, including provisions related to material adverse changes. However, given that the value of the collateral significantly exceeds the outstanding loan balance, the Company believes the risk of acceleration to be remote. Excess Cash Sweep calculations are performed on a semi-annual basis under the Amended and Restated Agreement, compared to quarterly calculations under the previous facility.

Ocean Yield Financing

The Company has three vessels that were built and delivered in 2018. Under the terms of the financing agreement, the lender provided financing of 77.5% of the purchase price for each of the three vessels. Upon delivery of each of the vessels, the Company entered into ten-year bareboat charter agreements. The Company has obligations to purchase each vessel for $13.6 million upon the completion of the ten-year bareboat charter agreements and has the option to purchase the vessels after eighty-four months. The purchase options have to be declared six months in advance of the anniversaries for each vessel. The options related to the eighty-four month's anniversaries expired during 2025. The financing agreements include interest charges composed of a floating term Secured Overnight Financing Rate ("SOFR") element that is subject to annual adjustment, plus a margin of 4.52% and a credit adjustment spread of 0.26%. The Company has incurred $2.3 million in financing cost, including the amended financing costs entered into May 2025, which is amortized over the term of the financing arrangement and presented net of the outstanding loan balance. The financing agreement contains certain financial covenants requiring us on a consolidated basis to maintain a minimum value adjusted equity of $175.0 million and ratio of 25%, minimum liquidity of $20.0 million, and a minimum vessel value to outstanding lease clause.

During May 2025, the Company entered into an amendment to the financing agreement related to the three 2018-built vessels with Ocean Yield. The amendment increased the outstanding principal by approximately $15 million per vessel and extended the maturity of the financing by 60 months from the original due date. Under the amended agreement, the financing carries a reduced interest margin compared to the original agreement and the repayment profile was modified to include amortization over 36 months followed by a final balloon payment of approximately $13.4 million per vessel. Following the amendment, the total outstanding lease obligation, related to the three 2018 build vessels, increased to approximately $120 million.

The outstanding amounts under this financing arrangement were $113.4 million and $78.1 million as of December 31, 2025, and 2024, respectively, where $10.7 million and $9.3 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

Financing of 2022-built Vessels

The two vessels, Nordic Harrier and Nordic Hunter, were delivered from Samsung shipyard in 2022. Under the terms of the financing agreement, the lender provided financing of 80.0% of the purchase price for each of the two vessels. Upon delivery of each of the vessels, the Company entered into ten-year bareboat charter agreements. The Company has obligations to purchase the vessels for $16.5 million for each vessel upon the completion of the ten-year bareboat charter agreements and has the option to purchase the vessels after sixty and eighty-four months. The purchase options have to be declared six months in advance of the anniversaries for each vessel. The financing agreements include interest charges composed of a floating SOFR element that is subject to quarterly adjustment, plus a margin of 4.50% and a credit adjustment spread of 0.26%. The financing agreements contain certain financial covenants requiring the Company on a consolidated basis to maintain a minimum liquidity of $20.0 million and a minimum vessel value to outstanding lease clause.

The outstanding amounts under this financing arrangement were $68.3 million and $73.8 million as of December 31, 2025, and 2024, respectively, where $5.4 million and $5.4 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

Financing of Nordic Hawk

The 2016-built vessel, Nordic Hawk, was delivered to the Company in December 2023. Under the terms of the financing agreement, the lender provided financing of 75.0% of the purchase price. Upon delivery of the vessel, the Company entered into an eight-year bareboat charter agreement. The Company has an obligation to purchase the vessel for $5.9 million upon the completion of the eight-year bareboat charter agreement and has the option to purchase the vessel after sixty and eighty-four months. The financing agreement has an interest rate as of December 31, 2024, composed of a floating term SOFR element subject to quarterly adjustments and a margin of 4.76%. The financing agreement contains certain financial covenants requiring the Company on a consolidated basis to maintain a minimum liquidity of $20.0 million and a minimum vessel value to outstanding lease clause.

The outstanding amounts under this financing arrangement were $41.5 million and $47.5 million as of December 31, 2025, and 2024, respectively, where $5.9 million and $5.9 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

Financing of Nordic Galaxy & Nordic Moon

The 2016-built vessels, Nordic Galaxy and Nordic Moon, was delivered to the Company in April 2025. Under the terms of the financing agreement, the lender provided financing of 50% of the purchase price. Upon delivery of the vessel, the Company entered into an eight-year bareboat charter agreement. The Company has an obligation to purchase the vessels for $8.6 million per vessel upon the completion of the eight-year bareboat charter agreement and has the option to purchase the vessel after sixty and eighty-four months. The financing agreement has an interest rate as of December 31, 2025, composed of a floating term SOFR element subject to monthly adjustments and a margin of 3.70%. The financing agreement contains certain financial covenants requiring the Company on a consolidated basis to maintain a minimum liquidity of $20.0 million and a minimum vessel value to outstanding lease clause.

The outstanding amounts under this financing arrangement were $61.6 million as of December 31, 2025, where $6.0 million, net of deferred financing costs, have been presented as Current Portion of Long-Term Debt, respectively.

As of December 31, 2025, the aggregate annual principal payments required to be made under the Company's outstanding debt facilities are as follows:

Debt repayments in $'000s*	**Total**	**2026**	**2027**	**2028**	**2029**	**2030**	**More than 5 years**
2025 Senior Secured Credit Facility, amended and restated $150	142,781	7,500	7,500	7,500	120,281	0	0
Financing of 2018-built Vessels	113,394	11,061	11,061	11,091	11,061	11,061	58,061
Financing of 2022-built Vessels	68,344	5,500	5,500	5,515	5,500	5,500	40,830
Financing of 2016-built Vessel	41,524	6,000	6,000	6,016	6,000	6,000	11,508
Financing of 2025-built Vessels	61,667	6,083	6,083	6,100	6,083	6,083	31,235
Total	427,710	36,143	36,143	36,222	148,925	28,643	141,634

The Company monitors compliance with financial covenants on a regular basis and as of December 31, 2025, the Company was in compliance with the financial covenants in its debt facilities. The financial minimum liquidity covenant has historically been the most sensitive covenant. As of December 31, 2025, the cash balance of the Company was $45.86 million.

On a regular basis, the Company performs cash flow projections to evaluate whether it will be in a position to cover the liquidity needs for the next 12-month period and the compliance with financial and security ratios under its existing and future financing agreements. In developing estimates of future cash flows, the Company makes assumptions about the vessels' future performance, market rates, operating expenses, capital expenditure, fleet utilization, general and administrative expenses, loan repayments and interest charges. The assumptions applied are based on historical experience and future expectations.

The Company prepares cash flow projections for different scenarios and a key input factor to the cash flow projections is the estimated freight rates. The Company applies an average of several broker estimates in combination with own estimates for the coming 12-months' period. The average freight rates achieved in 2024 have been strong compared to the historical long-term average freight rates achieved by the Company. As such, the Company has generated significant positive cash flows from operations that could be used for dividends, investments, or repayment of outstanding loan balances.

Given the strong market conditions, the availability of secured financing, a number of unencumbered vessels, and the renewed at-the-market (ATM) program, the Company believes it is well-positioned financially to meet its obligations and support future growth. We refer to note 12 for further information on the renewal of our ATM program.

9. INTEREST EXPENSES

Interest expenses consist of interest expense on the long-term debt and amortization of deferred financing costs related to the facilities described in Note 8.

All figures in USD '000	**2025**	**2024**	**2023**
Interest Expenses, net of capitalized interest	35,007	29,889	29,040
Amortization of Deferred Financing Costs	745	850	1,458
Total Interest Expenses	**35,752**	**30,739**	**30,498**

There are no interest expenses capitalized for the years ended December 31, 2025, 2024 and 2023, respectively.

10. OTHER CURRENT LIABILITIES

All figures in USD '000	**2025**	**2024**
Accrued Expenses	8,551	3,840
Other Liabilities	242	344
Tax deductions payable	989	2,789
Accrued holiday pay	628	599
Total as of December 31,	**10,410**	**7,572**

11. EARNINGS PER SHARE

Basic earnings per share ("EPS") are computed by dividing net income by the weighted-average number of common shares outstanding for the period. Diluted EPS is computed by dividing net income by the weighted-average number of common shares and dilutive common stock equivalents outstanding during the period.

All figures in USD except number of shares and earnings (loss) per common share	2025	2024	2023
Numerator:			
Net Income (Loss)	12,271	46,643	98,711
Denominator:			
Basic - Weighted Average Common Shares Outstanding	211,750,663	209,227,286	208,796,444
Dilutive – Weighted Average Common Shares Outstanding	211,750,663	209,898,006	208,811,300
Earnings (Loss) per Common Share:			
Basic and dilutive	0.06	0.22	0.47

12. SHAREHOLDERS' EQUITY

Authorized, issued and outstanding common shares roll-forward is as follows:

	Authorized Shares	Issued and Outstanding Shares	Common Stock
Balance as of December 31, 2022	**360,000,000**	**208,796,444**	**2,087**
$60 million 2022 ATM	-	-	-
Balance as of December 31, 2023	**360,000,000**	**208,796,444**	**2,087**
$60 million 2022 ATM	-	2,954,219	30
Balance as of December 31, 2024	**360,000,000**	**211,750,663**	**2,117**
$60 million 2022 ATM	-	-	-
Balance as of December 31, 2025	**360,000,000**	**211,750,663**	**2,117**

On February 14, 2022, the Company entered into a new equity distribution agreement with B. Riley Securities, Inc, acting as sales agent, under which the Company may, from time to time, offer and sell common stock through an At-the-Market Offering (the "$60 million 2022 ATM") program having an aggregate offering price of up to $60,000,000. In 2022, the Company raised gross and net proceeds of $33.6 million and $32.7 million, respectively, by selling and issuing 14,337,258 commons shares. No common shares were issued in 2023. During 2024, the Company has raised gross and net proceeds of $9.2 million and $8.9 million, respectively, by selling and issuing 2,954,219 shares. The remaining available balance under this ATM was $17.3 million as of December 31, 2024, expiring February 11, 2025.

Subsequent to December 31, 2024, the Company has filed a new registration statement on March 11, 2025. The registration statement contained two prospectuses, a F-3 Shelf registration and a sales agreement prospectus referred to as the At Market Issuance Sales Agreement (ATM) with B. Riley Securities Inc. dated March 11, 2025.The ATM was declared effective on March 31, 2025.

Additional Paid-in Capital

Included in Additional Paid-in Capital is the Company's Share Premium Fund as defined by Bermuda law. The Share Premium Fund cannot be distributed without complying with certain legal procedures designed to protect the creditors of the Company, including public notice to its creditors and a subsequent period for creditor notice of concern, regarding the Company's intention, following shareholder approval, to transfer such funds to the Company's Contributed Surplus Account and thereby make such funds available for distribution.

The Share Premium Fund was $176.0 million and $176.0 million as of December 31, 2025, and 2024, respectively.

Contributed Surplus Account

The Company's Contributed Surplus Account as defined by Bermuda law, consists of amounts previously recorded as share premium, transferred to Contributed Surplus Account when resolutions are adopted by the Company's shareholders to make Share Premium Fund distributable or available for other purposes. As indicated by the laws governing the Company, the Contributed Surplus Account can be used for dividend distribution and to cover accumulated losses from its operations. There are no legal or regulatory restrictions, other than approval by the Board of Directors, that limit the Company's ability to authorize dividend distributions from contributed surplus

For the year ended December 31, 2025, the Company has declared dividends of $76.2 million, or $0.36 per share, that has been charged to the Contributed Surplus Account. The Company has paid out $76.2 million of the declared dividends in 2025.

For the year ended December 31, 2024, the Company has declared dividends of $83.6 million, or $0.40 per share, that has been charged to the Contributed Surplus Account. The Company has paid out $75.1 million of the declared dividends in 2024 and the remaining $8.5 million was paid out in January 2025.

For the year ended December 31, 2023, the Company declared dividends of $102.3 million that was charged to the Contributed Surplus Account. The Company paid out $89.8 million of the declared dividends in 2023 and the remaining $12.5 million was paid out in January 2024.

The Company's Contributed Surplus account was $245.0 million, $321.2 million and $404.8 million as of December 31, 2025, 2024 and 2023, respectively.

Shareholders' Rights Plan

On June 16, 2017, the Board of Directors adopted a new shareholders' rights agreement and declared a dividend of one preferred share purchase right to purchase one one-thousandth of a Series A Participating Preferred Share of the Company for each outstanding common share, par value $0.01 per share. The dividend was payable on June 26, 2017, to shareholders of record on that date. Each right entitles the registered holder to purchase from us one one-thousandth of a Series A Participating Preferred Share of the Company at an exercise price of $30.00, subject to adjustment. The Company can redeem the rights at any time prior to a public announcement that a person or group has acquired ownership of 15% or more of the Company's common shares. As at December 31, 2025, no shares were issued pursuant to the plan.

This shareholders' rights plan was designed to enable us to protect shareholder interests in the event that an unsolicited attempt is made for a business combination with, or a takeover of, the Company. Our shareholders' rights plan is not intended to deter offers that the Board determines are in the best interests of our shareholders.

13. COMMITMENTS AND CONTINGENCIES

No material claims have been filed against the Company as of December 31, 2025, and 2024.

The Company may become a party to various legal proceedings generally incidental to its business and is subject to a variety of environmental and pollution control laws and regulations. As is the case with other companies in similar industries, the Company faces exposure from actual or potential claims and legal proceedings resulting from operating the vessels in numerous jurisdictions worldwide. Although the ultimate disposition of legal proceedings cannot be predicted with certainty, it is the opinion of the Company's management that the outcome of any claim which might be pending or threatened, either individually or on a combined basis, will not have a materially adverse effect on the financial position of the Company, but could materially affect the Company's results of operations in a given year.

The Company does not have any material commitments outside the ordinary operations of the Company as of December 31, 2025.

14. FINANCIAL INSTRUMENTS AND OTHER FAIR VALUE DISCLOSURES

The majority of the Company's transactions, assets and liabilities are denominated in United States dollars, the functional currency of the Company. There is no significant risk that currency fluctuations will have a material negative effect on the value of the Company's cash flows.

The Company categorizes its fair value estimates using a fair value hierarchy based on the inputs used to measure fair value for those assets that are recorded on the Balance Sheet at fair value. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value as follows:

Level 1. Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments and other financial assets.

- The carrying value of cash and cash equivalents and marketable securities, is a reasonable estimate of fair value.
- The estimated fair value for the long-term debt is considered to be approximately equal to the carrying values, adjusted for deferred financing cost presented as a reduction of the nominal borrowing amounts, since it bears spreads and variable interest rates which approximate market rates.

The carrying value and estimated fair value of the Company`s financial instruments at December 31, 2025, and 2024, are as follows:

All figures in USD '000 *Recurring:*	**Fair Value Hierarchy Level**	**2025 Fair Value**	**2025 Carrying Value**	**2024 Fair Value**	**2024 Carrying Value**
Cash and Cash Equivalents	1	45,863	45,863	39,177	39,177
Restricted Cash	1	-	-	5,207	5,207
Amended and Restated Credit Facility	2	(142,781)	(142,659)	(72,561)	(72,494)
Financing of 2018-built Vessels	2	(113,394)	(113,075)	(78,101)	(77,241)
Financing of 2022-built Vessels	2	(68,344)	(68,234)	(73,836)	(73,028)
Financing of Nordic Hawk	2	(41,524)	(41,437)	(47,524)	(46,941)
Financing of Nordic Moon / Nordic Galaxy	2	(61,667)	(61,564)	-	-

15. SUBSEQUENT EVENTS

On January 14, 2026, and January 16, 2026, the two vessels, Nordic Sprinter and Nordic Luna, which were classified as held for sale as of December 31, 2025, were delivered to their new owner.

On January 16, 2026, the Company announced that the ship building contracts for construction of two new buildings with delivery in 2028 have been signed.

On February 9, 2026, the Company announced that it had agreed to sell one 2003-build Suezmax tanker for $25 million, with delivery during the second quarter of 2026.

On February 26, 2026, the Company declared a cash dividend of $0.17 per share in respect of the results for the fourth quarter of 2025. The dividend of $35.9 million was paid on March 24, 2026.

On March 17, 2026, the Company announced that it had agreed to sell one 2005-build Suezmax tanker for $40 million, with delivery during the second quarter of 2026.

Exhibit 8.1

The following is a list of the Company's subsidiaries as of April 29, 2026:

Name	***Organization***	***Ownership percentage***
Scandic American Shipping Ltd.	Bermuda	100%
NAT Chartering Ltd.	Bermuda	100%
NAT Bermuda Holdings Limited	Bermuda	100%

Exhibit 11.1

Nordic American Tankers Limited.
Insider Trading Policy

Insider Trading Policy

This Insider Trading Policy is designed to ensure compliance with U.S. securities laws, including SEC Rule 10b5-1, and to uphold the integrity of Nordic American Tankers Limited (NAT) as a publicly traded company listed on the New York Stock Exchange (NYSE). The Policy applies to all directors, officers, employees, consultants, independent contractors, and other individuals engaged by Nordic American Tankers Limited or its subsidiaries (collectively referred to as the "Company"), while in possession of material non-public information about the Company. These individuals are collectively referred to as "Covered Individuals" under this Policy.

Prohibition on Insider Trading

- No Trading on Material Non-Public Information (MNPI)
  Covered Individuals are strictly prohibited from purchasing, selling, or otherwise trading in the Company's securities while in possession of MNPI. This includes any non-public information about the Company's earnings, major contracts, acquisitions, or other significant developments that have not been disclosed to the public.
- Tipping Prohibition
  Covered Individuals must not disclose MNPI to any third party ("tipping") who might use the information to trade in the Company's securities or advise others to do so.
- Hedging and Pledging
  Covered Individuals are prohibited from engaging in hedging transactions or pledging Company securities as collateral if such actions are inconsistent with the interests of the Company and its shareholders.

Definition of Material Non-Public Information

Information is considered "material" if a reasonable investor would consider it important in making an investment decision. Examples may include earnings results, mergers, acquisitions, financial forecasts, major contracts, or regulatory developments. Information is "non-public" until it has been broadly disclosed to the market and sufficient time has passed for the public to absorb the information.

Trading Windows and Pre-Clearance

- Trading Windows
  Trading in NAT securities is only allowed during designated open trading windows for Covered Individuals, which typically begin two business days after the release of earnings announcements and end two weeks before the close of each fiscal quarter. The Company may also impose additional blackout periods as necessary.
- Pre-Clearance Requirement
  Directors, officers, and certain designated employees must obtain pre-clearance from the Company's General Counsel before engaging in any transaction involving Company securities.

Rule 10b5-1 Plans
Eligible insiders may establish pre-arranged trading plans under SEC Rule 10b5-1, allowing them to trade NAT securities at predetermined times. Such plans are permissible only if the individual does not possess MNPI at the time the plan is created. All 10b5-1 plans must receive prior approval from NAT’s General Counsel and be filed in compliance with SEC regulations.

Prohibited Transactions
The following transactions involving NAT securities are strictly prohibited:
Short sales, hedging, and derivative transactions involving NAT securities are strictly prohibited.

Reporting Obligations

- Section 16 Compliance:
  Officers, directors, and greater-than-10% shareholders must comply with reporting requirements under Section 16 of the Securities Exchange Act of 1934.
- Prompt Disclosure:
  Any Covered Individual who becomes aware of a potential or actual breach of this Policy must immediately report it to the compliance officer or legal counsel.

Consequences of Violations
Violations of this Policy or applicable insider trading laws may result in severe civil and criminal penalties, including fines, imprisonment, and disciplinary action by the Company, up to and including termination of employment or service.

Acknowledgment and Certification
All Covered Individuals must acknowledge and certify their understanding of and compliance with this Policy annually.

Policy Updates
This Policy may be updated periodically to reflect changes in applicable laws or Company procedures.

Contact Information
Questions regarding this Policy should be directed to the Company’s compliance officer or legal counsel.

Nordic American Tanker Limited
Insider Trading Policy

Exhibit 12.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER

I, Herbjørn Hansson, certify that:

1. I have reviewed this annual report on Form 20-F of Nordic American Tankers Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

5. The Company's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 29, 2026

/s/ Herbjørn Hansson
Herbjørn Hansson
Chief Executive Officer (Principal Executive Officer)

Exhibit 12.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER

I, Bjørn Giaever, certify that:

1. I have reviewed this annual report on Form 20-F of Nordic American Tankers Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f)) and 15d-15(f) for the Company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

5. The Company's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 29, 2026

/s/ Bjørn Giaever
Bjørn Giaever
Chief Financial Officer (Principal Financial Officer)

Exhibit 13.1

PRINCIPAL EXECUTIVE OFFICER CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350

In connection with this Annual Report of Nordic American Tankers Limited (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission (the "SEC") on or about the date hereof (the "Report"), I, Herbjørn Hansson, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

Date: April 29, 2026

/s/ Herbjørn Hansson
Herbjørn Hansson
Chief Executive Officer (Principal Executive Officer)

Exhibit 13.2

PRINCIPAL FINANCIAL OFFICER CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350

In connection with this Annual Report of Nordic American Tankers Limited (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission (the "SEC") on or about the date hereof (the "Report"), I, Bjørn Giaever, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

Date: April 29, 2026

/s/ Bjørn Giaever
Bjørn Giaever
Chief Financial Officer (Principal Financial Officer)

Exhibit 15.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement (No. 333-285720) on Form F-3 of our reports dated April 29, 2026, with respect to the consolidated financial statements of Nordic American Tankers Limited, and the effectiveness of internal control over financial reporting.

/s/ KPMG AS

Oslo, Norway
April 29, 2026

Exhibit 15.2

Fearnleys

FEARNRESEARCH

Nordic American Tankers
Swan Building
26 Victoria Street
Hamilton HM12
Bermuda

April 20, 2026

Ladies and Gentlemen:

Reference is made to the annual report on Form-20F for the year ended December 31, 2025 of Nordic American Tankers Limited (the "Company") to be filed with the U.S. Securities and Exchange Commission (the "SEC") (the "Annual Report").

We hereby consent to all references to our name in the Annual Report and to the use of the statistical information supplied by us set forth in the Annual Report, including, without limitation, the information set forth in the Annual Report under the heading "The 2025 Tanker Market". We further advise the Company that our role has been limited to the provision of such statistical data supplied by us. With respect to such statistical data, we further advise you that:

(1) certain information in our database is derived from estimates or subjective judgements, and while we have taken reasonable care in the compilation of the statistical and geographical information and believe it to be accurate and correct, data compiled is subject to limited audit and validation procedures; and

(2) the information in the databases of other maritime data collection agencies may differ from the information in our database.

We hereby consent to the filing of this letter as an exhibit to the Annual Report to be filed with the SEC pursuant to the Securities Exchange Act of 1934, as amended, and to the references to our firm in the section of the Annual Report entitled "The 2025 Tanker Market".

Yours faithfully,

/s/ Jonathan S. Staubo
Jonathan S. Staubo
Title: Advisor

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Enterprise Number NO 943 190 410 VAT
An Astrup Fearnley company

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QUALITY SYSTEM CERTIFICATION DNV·GL ISO 9001

NORDIC AMERICAN TANKERS LIMITED

POLICY REGARDING THE RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

I. Introduction

The Board of Nordic American Tankers Limited., a Bermuda exempted corporation incorporated under the laws of Bermuda (the "Company"). In accordance with the applicable rules of the New York Stock Exchange (the "Exchange Rules"), and Section 10D and Rule 10D-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Board has therefore adopted this Policy, which provides for the recoupment, otherwise referred to as "clawback", of certain erroneously awarded Incentive-Based Compensation from Executive Officers in the event of an Accounting Restatement resulting from material noncompliance with financial reporting requirements under the federal securities laws, and which is intended to comply with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. All capitalized terms used and not otherwise defined herein shall have the meanings set forth in Section II.

II. Definitions

(1) "***Accounting Restatement***" means an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (a "Big R" or reissuance restatement), or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a "little r" or revision restatement). For the avoidance of doubt, in no event will a restatement of the Company's financial statements that is not due in whole or in part to the Company's material noncompliance with any financial reporting requirement under applicable law (including any rule or regulation promulgated thereunder) be considered an Accounting Restatement under this Policy. For example, a restatement due exclusively to a retrospective application of any one or more of the following will not be considered an Accounting Restatement under this Policy: (i) a change in accounting principles; (ii) revision to reportable segment information due to a change in the structure of the Company's internal organization; (iii) reclassification due to a discontinued operation; (iv) application of a change in reporting entity, such as from a reorganization of entities under common control; and (v) revision for stock splits, reverse stock splits, stock dividends or other changes in capital structure.

(2) ***"Board"*** means the Board of Directors of the Company.

(3) "***Clawback Eligible Incentive Compensation***" means all Incentive-Based Compensation Received by an Executive Officer (i) on or after the effective date of the applicable Exchange rules adopted in order to comply with Rule 10D-1, (ii) after beginning service as an Executive Officer, (iii) who served as an Executive Officer at any time during the applicable performance period relating to the applicable Incentive-Based Compensation (whether or not such Executive Officer is serving as such at the time the Erroneously Awarded Compensation is required to be repaid to the Company), (iv) while the Company has a class of securities listed on a national securities exchange or a national securities association, and (v) during the applicable Clawback Period (as defined below).

(4) "***Clawback Period***" means, with respect to any Accounting Restatement, the three completed fiscal years of the Company immediately preceding the Restatement Date (as defined below), and if the Company changes its fiscal year, any transition period of less than nine months within or immediately following those three completed fiscal years.

(5) ***"Committee"*** means the Compensation Committee of the Company (if composed entirely of independent directors, or in the absence of such a committee, a majority of independent directors serving on the Board).

(6) "***Erroneously Awarded Compensation***" means, with respect to each Executive Officer in connection with an Accounting Restatement, the amount of Clawback Eligible Incentive Compensation that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts, computed without regard to any taxes paid.

(7) “***Exchange***” means the New York Stock Exchange.

(8) “***Executive Officer***” means each individual who is (a) a current or former executive officer, as determined by the Committee (as defined below) in accordance with Section 10D and Rule 10D-1 of the Exchange Act and the listing standards of the Exchange, (b) a current or former employee who is classified by the Committee as an executive officer of the Company, which includes without limitation any of the Company’s president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs policy-making functions for the Company (including executive officers of a parent or subsidiary if they perform policy-making functions for the Company), and (3) an employee who may from time to time be deemed subject to the Policy by the Committee. For the avoidance of doubt, the identification of an executive officer for purposes of this Policy shall include each executive officer who is or was identified pursuant to Item 401(b) of Regulation S-K or Item 6.A of Form 20-F, as applicable.

(9) “***Financial Reporting Measures***” means measures that are determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and all other measures that are derived wholly or in part from such measures. Stock price and total shareholder return (and any measures that are derived wholly or in part from stock price or total shareholder return) shall, for purposes of this Policy, be considered Financial Reporting Measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented in the Company’s financial statements or included in a filing with the SEC.

(10) “***Incentive-Based Compensation***” shall have the meaning set forth in Section III below.

(11) “***Exchange Effective Date***” means October 2, 2023.

(12) ***“Policy”*** means this Clawback Policy, as the same may be amended and/or restated from time to time.

(13) Incentive-Based Compensation will be deemed “***Received***” in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation documentation is attained, even if (a) the payment or grant of the Incentive-Based Compensation to the Executive Officer occurs after the end of that period or (b) the Incentive-Based Compensation remains contingent and subject to further conditions thereafter, such as time-based vesting.

(14) “***Restatement Date***” means the earlier to occur of (i) the date the Board, a committee of the Board, or the officer(s) of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

(15) “***SARs***” means shareholder appreciate rights.

(16) ***“SEC”*** means the U.S. Securities and Exchange Commission.

III. Incentive-Based Compensation

“Incentive-Based Compensation” shall mean any compensation that is granted, earned or vested wholly or in part upon the attainment of a Financial Reporting Measure.

For purposes of this Policy, specific examples of Incentive-Based Compensation include, but are not limited to:

- Non-equity incentive plan awards that are earned based, wholly or in part, on satisfaction of a Financial Reporting Measure performance goal;
- Bonuses paid from a “bonus pool,” the size of which is determined, wholly or in part, based on satisfaction of a Financial Reporting Measure performance goal;
- Other cash awards based on satisfaction of a Financial Reporting Measure performance goal;
- Restricted stock, restricted stock units, performance share units, stock options and SARs that are granted or become vested, wholly or in part, on satisfaction of a Financial Reporting Measure performance goal; and

- Proceeds received upon the sale of shares acquired through an incentive plan that were granted or vested based, wholly or in part, on satisfaction of a Financial Reporting Measure performance goal.

For purposes of this Policy, Incentive-Based Compensation excludes:

- Any base salaries (except with respect to any salary increases earned, wholly or in part, based on satisfaction of a Financial Reporting Measure performance goal);
- Bonuses paid solely at the discretion of the Committee or Board that are not paid from a "bonus pool" that is determined by satisfying a Financial Reporting Measure performance goal;
- Bonuses paid solely upon satisfying one or more subjective standards and/or completion of a specified employment period;
- Non-equity incentive plan awards earned solely upon satisfying one or more strategic measures (e.g., consummating a merger or divestiture) or operational measures (e.g., completion of a project, acquiring a specified number of vessels, attainment of a certain market share); and
- Equity awards that vest solely based on the passage of time and/or satisfaction of one or more non-Financial Reporting Measures (e.g., a time-vested award, including time-vesting stock options or restricted share rights).

IV. Administration and Interpretation

This Policy shall be administered by the Committee and/or the Board, and any determinations made by the Committee and/or the Board shall be final and binding on all affected individuals. The Committee and/or the Board shall determine the amount of any Erroneously Awarded Compensation Received by each Executive Officer and shall promptly deliver written notice to each Executive Officer containing the amount of any Erroneously Awarded Compensation and a demand for repayment or return of such compensation, as applicable. For the avoidance of doubt, recovery of Erroneously Awarded Compensation is on a "no fault" basis, meaning that it will occur regardless of whether the Executive Officer engaged in misconduct or was otherwise directly or indirectly responsible, in whole or in part, for the Accounting Restatement.

The Committee is authorized to interpret and construe this Policy and to make all determinations and to take such actions as may be necessary, appropriate, or advisable for the administration of this Policy and for the Company's compliance with the Exchange Rules, Section 10D, Rule 10D-1 and any other applicable law, regulation, rule or interpretation of the SEC or the Exchange promulgated or issued in connection therewith.

V. Recovery of Erroneously Awarded Compensation

(1) In the event of an Accounting Restatement, the Committee shall promptly determine in good faith the amount of any Erroneously Awarded Compensation Received in accordance with the Exchange Rules and Rule 10D-1 for each Executive Officer in connection with such Accounting Restatement and shall promptly thereafter provide each Executive Officer with a written notice containing the amount of Erroneously Awarded Compensation (without regard to any taxes paid thereon by the Executive Officer) and a demand for repayment or return, as applicable.

   a. Cash Awards. With respect to cash awards, the Erroneously Awarded Compensation is the difference between the amount of the cash award (whether payable as a lump sum or over time) that was Received and the amount that should have been received applying the restated Financial Reporting Measure.

   b. Cash Awards Paid from Bonus Pools. With respect to cash awards paid from bonus pools, the Erroneously Awarded Compensation is the pro rata portion of any deficiency that results from the aggregate bonus pool that is reduced based on applying the restated Financial Reporting Measure.

c. Equity Awards. With respect to equity awards, if the shares, options or SARs are still held at the time of recovery, the Erroneously Awarded Compensation is the number of such securities Received in excess of the number that should been received applying the restated Financial Reporting Measure (or the value in excess of that number). If the options or SARs have been exercised, but the underlying shares have not been sold, the Erroneously Awarded Compensation is the number of shares underlying the excess options or SARs (or the value thereof). If the underlying shares have already been sold, then the Committee and/or Board shall determine the amount which most reasonably estimates the Erroneously Awarded Compensation.

d. Compensation Based on Stock Price or Total Shareholder Return. For Incentive-Based Compensation based on (or derived from) stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement, (i) the amount shall be determined by the Committee and/or Board based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was Received; and (ii) the Committee and/or Board shall maintain documentation of such determination of that reasonable estimate and provide such documentation to the Exchange in accordance with applicable listing standards.

(2) The Committee shall have discretion to determine the appropriate means of recovering Erroneously Awarded Compensation based on the particular facts and circumstances. Notwithstanding the foregoing, except as set forth in Section VI below, in no event may the Company accept an amount that is less than the amount of Erroneously Awarded Compensation in satisfaction of an Executive Officer's obligations hereunder.

(3) To the extent that the Executive Officer has already reimbursed the Company for any Erroneously Awarded Compensation Received under any duplicative recovery obligations established by the Company or applicable law, it shall be appropriate for any such reimbursed amount to be credited to the amount of Erroneously Awarded Compensation that is subject to recovery under this Policy. To the extent that the Erroneously Awarded Compensation is recovered under a foreign recovery regime, the recovery would meet the obligations of Rule 10D-1.

(4) To the extent that an Executive Officer fails to repay all Erroneously Awarded Compensation to the Company when due, the Company shall take all actions reasonable and appropriate to recover such Erroneously Awarded Compensation from the applicable Executive Officer. The applicable Executive Officer shall be required to reimburse the Company for any and all expenses reasonably incurred (including legal and other collection related fees) by the Company in recovering such Erroneously Awarded Compensation.

VI. Discretionary Recovery

Notwithstanding anything herein to the contrary, the Company shall not be required to take the actions contemplated by Section V above if the Committee determines that recovery would be impracticable and any of the following three conditions are met.

(1) The Committee has determined that the direct expenses, such as reasonable legal expenses and consulting fees, paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. In order for the Committee to make this determination, the Company must make a reasonable attempt to recover the Erroneously Awarded Compensation, document such attempt(s) to recover, and provide such documentation to the Exchange;

(2) Recovery would violate home country law where that law was adopted prior to November 28, 2022, provided that, before determining that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company has obtained an opinion of home country counsel, acceptable to the Exchange, that recovery would result in such a violation and a copy of the opinion is provided to Exchange;

(3) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code of 1986, as amended, and regulations thereunder.

VII. Recoupment Period Covered and Amount

If an Accounting Restatement occurs, the Committee shall review all Incentive-Based Compensation that was granted, vested or earned on the basis of having met or exceeded Financial Reporting Measures and that was Received by an Executive Officer during the Clawback Period. With respect to each Executive Officer, the Committee shall, as provided under this Policy, seek to require the forfeiture or repayment of (1) the Erroneously Awarded Compensation, whether vested or unvested and including proceeds received upon the sale of shares acquired through an incentive plan that were granted or vested based wholly or in part on satisfying a Financial Reporting Measure, Received during the Clawback Period in the event of an Accounting Restatement, and (2) to the extent the Executive Officer engages in Detrimental Conduct, applicable Incentive-Based Compensation received thereafter.

Compensation shall be deemed to have been Received in the fiscal period in which the Financial Reporting Measure is attained, even if the Incentive-Based Compensation is not actually paid until a later date or where the compensation is subject to additional service-based or non-financial goal-based vesting conditions after the period ends. The amount to be recovered will be as provided for in this Policy.

VIII. Method of Recovery of Erroneously Awarded Compensation

The Committee will determine, in its sole discretion, the method for recovering Erroneously Awarded Compensation hereunder, which may include, without limitation:

(1) Requiring reimbursement of cash Incentive-Based Compensation previously paid;
(2) Seeking recovery of any gain realized on the granting, vesting, exercise, settlement, sale, transfer or other disposition of any equity or equity-based awards;
(3) Offsetting the recouped amount from any compensation otherwise owed by the Company or its affiliates to the Executive Officer;
(4) Cancelling outstanding vested or unvested equity or equity-based awards and/or reducing outstanding future payments due or possibly due in respect of amounts already Received; and/or
(5) Taking any other remedial and recovery action permitted by law, as determined by the Committee.

IX. Disclosure Requirements

The Company shall file all disclosures with respect to this Policy in accordance with the requirements of the federal securities laws, including the disclosure required by the rules and applicable filings required to be made with the SEC.

X. No Indemnification

The Company shall not be permitted to insure or indemnify any Executive Officer against (i) the loss of any Erroneously Awarded Compensation that is repaid, returned or recovered pursuant to the terms of this Policy, or (ii) any claims relating to the Company's enforcement of its rights under this Policy. Further, the Company shall not enter into any agreement that exempts any Incentive-Based Compensation that is granted, paid or awarded to an Executive Officer from the application of this Policy or that waives the Company's right to recovery of any Erroneously Awarded Compensation, and this Policy shall supersede any such agreement (whether entered into before, on or after the Effective Date of this Policy). While an Executive Officer may purchase a third-party insurance policy to fund potential recovery obligations under this Policy, the Company may not pay or reimburse the Executive Officer for premiums for such an insurance policy.

XI. Effective Date

This Policy shall be effective as of the Exchange Effective Date.

XII. Amendment; Termination

The Committee and thereafter, the Board, may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary to comply with the requirements of any federal securities laws, SEC rule or the rules of any national securities exchange or national securities association on which the Company's securities are then listed. Notwithstanding anything in this Section XII to the contrary, no amendment or termination of this Policy shall be effective if such amendment or termination would (after taking into account any actions taken by the Company contemporaneously with such amendment or termination) cause the Company to violate any federal securities laws, SEC rule, or the rules of any national securities exchange or national securities association on which the Company's securities are then listed.

XIII. Other Recovery Rights

This Policy will be applied to the fullest extent of the law. The Board and/or the Committee may, to the fullest extent of the law, require that any employment agreement, equity award agreement, or other plan, agreement or arrangement providing for incentive compensation shall, as a condition to the grant, receipt or vesting of any benefit thereunder, require an Executive Officer to agree to abide by the terms of this Policy, including requiring the execution of the attestation and acknowledgement set forth in Exhibit A to this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity or equity-based plan or award agreement, or other plan, agreement or arrangement providing for incentive compensation and any other legal remedies available to the Company. However, this Policy shall not provide for recovery of Incentive-Based Compensation that the Company has already recovered pursuant to Section 304 of the Sarbanes-Oxley Act or other recovery obligations.

XIV. Successors

This Policy shall be binding and enforceable against all Executive Officers and their beneficiaries, executors, administrators, permitted transferees, permitted assignees or other legal representatives, and shall inure to the benefit of any successor or assignee of the Company.

Exhibit A

ATTESTATION AND ACKNOWLEDGEMENT OF POLICY REGARDING THE RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

By my signature below, I acknowledge and agree that:

- I have received and read the attached Policy Regarding the Recovery of Erroneously Awarded Compensation (this "***Policy***").
- I hereby agree to abide by all of the terms of this Policy both during and after my employment with the Company, including, without limitation, by promptly repaying or returning any Erroneously Awarded Compensation to the Company as determined in accordance with this Policy.

Signature: ____________________

Printed Name: ____________________

Date: ____________________