Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	926 493 647
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NORSE ATLANTIC AIRWAYS AS
Forretningsadresse:	Fløyveien 14 4838 ARENDAL

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Terje Bodin Larsen
Dato for fastsettelse av årsregnskapet:	26.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 22.07.2025

Resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Operational revenue	4	338 547 000	244 434 000
Sum inntekter		**338 547 000**	**244 434 000**
Kostnader			
Technical maintenance		49 295 000	42 649 000
Personnel expenses	5,6	72 955 000	51 560 000
Depreciation and amortization	10.2,12	42 845 000	33 995 000
Related parties expenses	17	19 827 000	19 211 000
Fuel, oil and emission costs		90 865 000	80 666 000
Airport charges and handling		52 368 000	41 824 000
Other operating cost		23 327 000	20 949 000
Marketing costs		19 427 000	14 701 000
Administrative expenses	7	12 162 000	10 268 000
Variable aircraft rental		1 319 000	7 159 000
Sum kostnader		**384 390 000**	**322 982 000**
Driftsresultat		**-45 843 000**	**-78 548 000**
Annen rentekostnad		6 805 000	3 780 000
Related parties interest expense		17 304 000	16 792 000
Related parties gain/loss on lease		0	-26 438 000
Other financial income/(expenses)	8	-541 000	-706 000
Sum finanskostnader		**23 568 000**	**-6 572 000**
Netto finans		**-23 568 000**	**6 572 000**
Resultat før skattekostnad		**-69 411 000**	**-71 976 000**
Income tax	9	263 000	0
Årsresultat		**-69 674 000**	**-71 976 000**

Balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Aircraft and other tangible assets	10	474 034 000	318 189 000
Intangible assets	12	2 774 000	3 324 000
In vestment in subsidiaries	16	1 066 000	1 066 000
Sum immaterielle eiendeler		**477 874 000**	**322 579 000**
Sum anleggsmidler		**477 874 000**	**322 579 000**
Omløpsmidler			
Varer			
Investment in subsidiaries	13	4 600 000	3 326 000
Sum varer		**4 600 000**	**3 326 000**
Fordringer			
Credit card receivables	14	100 295 000	60 214 000
Trade and other receivables	14	6 141 000	4 726 000
Other current assets	14	5 500 000	11 088 000
Related parties receivables	14, 17	25 958 000	37 700 000
Sum fordringer		**137 894 000**	**113 728 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	14, 15	7 105 000	12 375 000
Sum bankinnskudd, kontanter og lignende		**7 105 000**	**12 375 000**
Sum omløpsmidler		**149 599 000**	**129 429 000**
SUM EIENDELER		**627 473 000**	**452 008 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	18	34 000	34 000

Balanse

Beløp i: USD	Note	2024	2023
Overkurs		29 656 000	29 656 000
Annen innskutt egenkapital		19 026 000	20 380 000
Sum innskutt egenkapital		**48 716 000**	**50 070 000**
Opptjent egenkapital			
Udekket tap		288 286 000	223 848 000
Sum opptjent egenkapital		**-288 286 000**	**-223 848 000**
Sum egenkapital		**-239 570 000**	**-173 778 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Lease liabilities non-current	10,14, 17	454 053 000	316 713 000
Provisions	11	25 206 000	13 257 000
Related parties payables	14.17	84 911 000	84 911 000
Sum annen langsiktig gjeld		**564 170 000**	**414 881 000**
Sum langsiktig gjeld		**564 170 000**	**414 881 000**
Kortsiktig gjeld			
Deferred passenger revenue	14	47 559 000	22 975 000
Trade and other payables	14	73 719 000	53 715 000
Lease liabilities current	10,14, 17	38 907 000	22 608 000
Related parties payables	14,17	142 688 000	111 607 000
Sum kortsiktig gjeld		**302 873 000**	**210 905 000**
Sum gjeld		**867 043 000**	**625 786 000**
SUM EGENKAPITAL OG GJELD		**627 473 000**	**452 008 000**

Norse Atlantic Airways AS

Board of Directors Report 2024

1. General information

Norse Atlantic Airways AS ("The Company") is a fully owned subsidiary of Norse Atlantic ASA (the "Parent"). The company was founded in March 2021 by Bjørn Tore Larsen, who is also the CEO and the major shareholder of the airline. The Company is located in Arendal, Norway.

The Company is a part of Norse Atlantic airways Group of companies ("Norse"). Norse is a new long-haul airline that offers affordable fares on transatlantic routes. Norse Atlantic Airways commenced commercial flight operations in June 2022. The Company serves the intercontinental market with modern, fuel-efficient, and more environmentally friendly Boeing 787 Dreamliners.

The Company also provides management services to other companies within the Norse Group. The Company subleases 7 aircraft from its parent, Norse Atlantic ASA as at 31 December 2024. At the beginning of 2024 the Company subleased 4 aircraft from Norse Atlantic ASA.

2. Comments to the financial statements

Income statement
During the period, the Company recorded a total operating revenue of USD 338.5 million (USD 244.4 million in 2023), consisting of USD 205.5 million in revenues from passengers (USD 152.6 million in 2023), USD 53.4 million in ancillary revenue (USD 41.1 million in 2023), USD 21.3 million from Charter & ACMI (USD 4.6 million in 2023) and USD 58.3 million from other sources (USD 46.2 million in 2023).

The Company's operating expenses excluding depreciation, amortization, and aircraft leases during 2024 totalled USD 340.2 million (USD 281.8 million in 2023), consisting of USD 73 million in personnel expenses (USD 51.6 million in 2023), USD 215.9 million in aircraft operating costs (USD 186.1 million in 2023), USD 31.6 million in marketing and administrative costs (USD 25 million in 2023) and USD 19.8 million in related parties expenses (USD 19.2 million in 2023). Variable aircraft lease expenses were USD 1.3 million (USD 7.2 million in 2023), which is the amount the Company paid in cash for Power by the Hour aircraft lese costs. The Company recognized USD 43 million of depreciation and amortization during the Period (USD 34 million in 2023), of which USD 40.6 million related mainly to amortization of the aircraft right-to-use assets (USD 32.6 million in 2023). Net financial expense for 2024 was USD 23.6 million (net financial income of USD 6.6 million in 2023). The Company recorded a net loss for the Period of USD 69.7 million (USD 71.98 million in 2023).

Balance sheet
As at 31 December 2024, Norse had gross assets of USD 621.8 million (USD 452 million in 2023), consisting of non-current assets of USD 477.9 million (USD 322.6 million in 2023) and current assets of USD 143.9 million (USD 129.4 million in 2023). Current assets consist mainly of USD 132.2 million of trade and other receivables (USD 113.7 million in 2023), Inventory of USD 4.6 million (USD 3.3 million in 2023) and USD 7.1 million of cash and cash equivalents (USD 12.4 million in 2023). Non-current assets consisted mainly of right-of-use assets related to aircraft and engine, and associated maintenance assets with a carrying value of USD 466 million (USD 311 million in 2023). The corresponding lease liability for all leases is a total of USD 493 million (USD 339.3 million in 2023). Other non-current assets consist of USD 11.1 million of capitalized software development, aircraft maintenance reserves, investment in subsidiaries and other property plant and equipment (USD 11.7 million in 2023). The Company's total liabilities were USD 861.4 million at yearend (USD 625.8 million in 2023), of which non-current liabilities were USD 564.2 million (USD 414.9 million in 2023), consisting of USD 454.1 million in lease liabilities (USD 316.7 million in 2023), provision of USD 25.2 million (USD 13.3 million in 2023) and related parties non-current loan of USD 84.9 million (USD 84.9 million in 2023). The lease liabilities are mainly related to 7 aircraft leased in from the Parent. The Company had current liabilities of USD 297.2 million (USD 210.9

million in 2023), of which USD 68 million (USD 53.7 million in 2023) were for trade and other payables, USD 47.6 million were deferred passenger revenue (USD 23 million in 2023), USD 142.7 million payable to related parties (USD 111.6 million in 2023) and USD 38.9 million were current lease liabilities (USD 22.6 million in 2023). The Company's book equity was negative USD 239.6 million as at 31 December 2024 (USD 173.8 million in 2023).

Cash flow

The Company's net decrease in cash and cash equivalents during the period was USD 5.3 million (USD 3.5 million net increase in 2023). Net cash flow from operating activities totalled USD 52.4 million (outflow of USD 14.6 million in 2023), mainly resulting from positive working capital movement. Net cash used in investing activities totalled USD 1 million through other investments (USD 2.1 million in 2023). Net cash used in financing activities was USD 56.6 million, mainly driven by lease and interest payments (inflow of USD 20.1 million in 2023). The Company's cash and cash equivalents as at 31 December 2024 was USD 7.1 million (USD 12.4 million in 2023).

3. Going concern

Management and the Board of Directors take account of and consider all available information when evaluating the application of the going concern assumption. For this report, the going concern assumption has been evaluated for a period of 12 months following the end of the reporting period. The going concern assumption of the Company is subject to uncertainty.

Being an airline in its build-up phase, the Company has incurred losses over the first periods of operation, and as at 31 December 2024 the reported equity is negative USD 239.6 million.

The Company's total cash position as at 31 December 2024 is USD 7.1 million.

The Company and the Group has been through a process of shaping a strategic reorientation for Norse. The outcome of such process is a revised business plan implying the Company allocating a significant portion of its capacity towards longer-term ACMI services, whereas the Company has secured new contracts supporting the execution of such business plan. The plan implies a more modest capacity allocated to operation of routes within own scheduled network, in turn allowing for the Company focusing its most profitable routes. The revised business plan implies generation of year-round fixed revenue and cash flows, and a de-risking of the business model.

Based on the major contracts entered into, as well as the Company's overall plans and ambitions, Norse has prepared financial forecasts that over time show a positive development both in the Group's financial results, financial position in terms of equity and in cash position. Forecasts are subject to risks and uncertainties. Some significant risk factors include, but are not limited to, commercial success expressed through achieved load factors and fares, as well as the future development in jet fuel prices. The demand for air travel is subject to seasonal variations and can also be significantly impacted by macroeconomic factors, such as high inflation, that could have a negative impact on customers' spending behaviour. Airline fares, freight rates and passenger demand have fluctuated significantly in the past and may fluctuate significantly in the future.

Specifically, the Company also is in a position of owing an amount of approximately USD 11 million of historic and overdue passenger taxes to the US Internal Revenue Service (IRS), whereas current tax payments are serviced as they fall due. The US IRS has mechanisms of downpayment of such overdue taxes, under which individual agreements must be entered into. The Company already has started paying down overdue taxes and has proactively entered into a dialogue with the US IRS aiming at establishing a formal plan of downpayment.

The Company is financed by the Parent company. The Board of Directors of the Parent has previously concluded that the transition to the revised business model would require a strengthening of the Company's financial position and therefore decided to secure more capital to the Parent. In December 2024, the Parent completed an equity direct private placement towards major shareholder BT Larsen & Co Limited affiliated by CEO Bjørn Tore Larsen, for new shares equal to 15% of the outstanding share capital. The issuance was done at NOK 5.00 per share, bringing in the NOK amount equivalent of USD 8.7 million. In addition, BT Larsen & Co Limited, provided Norse with a new shareholder loan of USD 6.3

million, bringing the total proceeds of new capital up into the amount of USD 15.0 million. The shareholder loan has a final maturity 31 December 2025. The shareholder loan was fully undrawn as per 31 December 2024 and remains undrawn as at the date of approval of this report. Further to this, it was agreed that the existing revolving credit facility to the Parent from the two major shareholders BT Larsen & Co Limited and Scorpio Holdings Limited, should have its final maturity date extended to 31 March 2026.

On 30 May 2025 the Parent entered into a USD 20 million overdraft facility with its bank to support the Group's working capital requirements. This overdraft facility bas been guaranteed by BT Larsen & Co Limited. Effective same date, the undrawn shareholder loan agreement of USD 6.3 million with BT Larsen & Co has been cancelled.

The above measures have strengthened the Parent's ability to provide sufficient financial support to the Company. However, there are several uncertainties affecting the financial position of the Company. This includes but is not limited to factors such as the commercial success of the Company during the winter season, the future development in jet fuel prices, the applied holdback mechanisms of credit card acquirers as well as general operational risks. On the other hand, there is upside potential on the commercial and financial performance of the Company and the Group mainly resulting from larger fleet capacity allocated to fixed income generating ACMI contracts as well as pre-sales on routes out for sale trending well above pre-sales realized at the same time of previous year. The Company's debt to the Parent is subordinated to external debt.

Based on knowledge of the business plan established for the Company, in the Board of Directors' opinion, there is established a viable plan for the Company to be able to generate profits. In the Board of Directors' opinion, the going concern assumption is present and applies as basis for the Company's financial statements, but under the conditions present, the going concern assumption is subject to uncertainty. In the case that the going concern assumption should not serve as basis for the Company's financial statements, depending on the specific circumstances, some assets of the Company's may carry values lower than the values at which they are presented in these financial statements.

4. Financial risk

As at 31 December 2024, the company does not have any interest-bearing debt to non-related parties. Norse's principal financial assets are cash deposits held with the banks. The Company's primary financial risks relate to market risk, credit risk and liquidity risk.

Credit risk

Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in financial loss to the Company. The Company is exposed to credit risk primarily from cash held at bank, aircraft lease deposits, subleases, and outstanding receivables. The Company manages its counterparty risk relating to cash held at bank and other receivables by only holding deposits at banks with highest credit rating and financial institutions. As at 31 December 2024 all of Norse's cash and cash equivalents were held with Nordea Bank.

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates then primarily relates to its cash and cash equivalents held in foreign currencies. Approximately half of the Company's passenger revenues are denominated in USD, and all cargo revenue and aircraft lease revenues are in USD, hence the majority of revenues are in USD. The major operating costs, including fuel cost and aircraft lease cost, are denominated in USD, while airport cost is denominated in a mixture of USD and NOK. Personnel cost are in NOK. The Company has approximately the same revenue-to-cost ratio in the four main currencies of USD, GBP, EUR and NOK. As at 31 December 2024 29 percent of the Company's cash and cash equivalents are held in foreign currencies, of which 22 percent is held in Norwegian Kroner ("NOK"). The Company is currently not hedged for risks resulting in currency fluctuations.

Liquidity risk

The objective of the Company's liquidity risk management is to ensure that the Company maintains sufficient cash balance to prepare the Company ready for its operations and take it well into its operational phase. The Company's senior management closely monitors the movement in the Company's liquidity position on a weekly basis and forecasts for liquidity reserves based on expected cash flows. The following table shows the maturity profile of the Company's financial liabilities as at 31 December 2024 based on the contractual payment terms. The amounts disclosed below are undiscounted cash flows.

2024:

(In thousands of USD)	**Within 6 months**	**6 - 12 months**	**1 - 2 years**	**3 - 5 years**	**More than 5 years**	**Total**
Aircraft lease payments	24,510	24,510	98,040	98,040	277,015	522,115
Other lease payments	3,901	3,901	7,802	15,723	49,683	81,010
Total of lease liabilities	**28,411**	**28,411**	**105,842**	**113,763**	**326,698**	**603,125**
Deferred passenger revenue	47,559	-	-	-	-	47,559
Trade and other payables	73,719	-	-	-	-	73,719
Payable related parties	71,345	71,345			84,911	227,600
Total as at 31-Dec-2024	**221,033**	**99,755**	**105,842**	**113,763**	**411,609**	**952,002**

2023:

(In thousands of USD)	**Within 6 months**	**6 - 12 months**	**1 - 2 years**	**3 - 5 years**	**More than 5 years**	**Total**
Aircraft lease payments	13,590	14,340	28,680	57,360	230,513	344,483
Other lease payments	3,989	4,037	7,802	15,723	57,485	89,036
Total of lease liabilities	**17,579**	**18,377**	**36,482**	**73,083**	**287,998**	**433,519**
Deferred passenger revenue	22,975	-	-	-	-	22,975
Trade and other payables	53,715	-	-	-	-	53,715
Payable related parties	55,803	55,803	-	-	84,911	196,518
Total as at 31-Dec-2023	**150,073**	**74,181**	**36,482**	**73,083**	**372,909**	**706,727**

Capital management
The objective of the Company is to manage capital to ensure a going concern in order to meet operational demands, minimise cost of capital and maximise the return on capital employed. The Company has initially been fully financed by equity and has no other external debt than debt arising from lease agreements.

Fuel risk
The Company is exposed to fuel price risks as it represents a substantial part of operating expenses. The Company does not currently hedge its fuel price risk. Fuel risk therefore is an operational risk and does not constitute a financial risk as at 31 December 2024.

Interest rate risk
The Company is not substantially exposed to changes in interest rate as it does not have any interest-bearing debt to non-related parties. The Company does not currently hedge its interest risk.

Climate risk
The business activities and assets of the Company are subject to certain aspects of climate risk. The Company is in the aviation industry, representing two per cent of global carbon emissions. The cost of carbon emissions should be expected to increase. In times of increased emission costs, Norse's relative position will be strong as the fleet of Boeing 787 Dreamliners renowned for their carbon emission efficiency. When sustainable aviation fuels become more available and commercially viable, Norse is also committed to transpose to such fuels, in turn potentially reducing direct emission costs.

As temperatures rise and extreme weather events become more frequent, operational disruptions - including increased turbulence, runway restrictions, and heightened risks of storm-related delays - may become more frequent. Coastal airports may be impacted by rising sea levels and flooding impacting operations at short notice. Changing weather patterns can challenge traditional routings and scheduling directly impacting fuel efficiency. All the above potentially comes with higher costs of running the Company's operations.

For assets of the Company being subject to climate risk, the material risk sits with the aircraft right-of-use assets. Such assets in the future potentially can become more expensive to operate during times of increased emission costs, and they can become less competitive as alternative carbon emission-free technology may develop. Such risks may have the consequence of assets decreasing in value, or in the very long run becoming completely obsolete. However, as for now, the fleet of Boeing 787 Dreamliners constitutes the best technology available in terms of carbon emission efficiency, which constitutes a competitive advantage relative to other airlines, and also implying that the Company's assets hold a relatively high resistance towards obsolescence. If the assets in a very long term potentially should become fully impaired and obsolete, the ultimate risk of this does not sit with the Company, as the assets are leased and will be returned to the lessor by the end of the lease terms.

Technical and operational risk

Norse furthermore is subject to risks related to technical and operational matters. Being an airline implies the Company in general being subject to a wide set of laws and regulations. Continuous compliance with all such requirements is a prerequisite for the operations of the Company to run as planned. Operating technically highly advanced aircraft without any unplanned disruptions also implies operations being dependant on timely access to applicable spare parts and the services of key suppliers and business partners in relation to aircraft maintenance. The Company's operations furthermore are exposed to potential risks such as strikes, accidents, adverse weather conditions, changes in credit card settlement terms, interruptions in IT systems and more.

5. Working environment

In 2024 there was a total sickness leave of 3.2% out of available working days during the Period. The Company focuses development of processes and culture on reporting of Health, Safety and Environment (HSE) incidents. Among incidents reported in 2024, there were reported nine incidents that led to injuries, of which none were severe. Most often it was cabin crew that were exposed to the incidents, leading to minor injuries to legs and back.

6. People and the organization

Norse is committed to being known by employees as a 'great place to work' and to maintaining a people culture that is open and fair. The Company aims to provide a workplace with equal opportunities and to prevent discrimination on any basis. Norse believes that being a global and sustainable organization requires people with a global mindset, and a diverse workforce is part of that. Applicants are assessed based on experience, qualifications and skills required for the job. Norse does not employ based on gender and does not discriminate in relation to pay or any employment matters on that or any other basis. As part of Norse's commitment to diversity and inclusion, the company has started to implement programs and policies designed to ensure that all employees have access to opportunities for advancement and professional development, regardless of their background or identity. Almost all employees at Norse work full-time except students who combine working at Norse and their studies. There are no employees who involuntarily work part-time.

Norse has Directors and Officers (D&O) insurance that covers board members and executives of the Company.

Out of Norse's total number of employees as of 31 December 2024, 59% are male and 41% are female (compared to 58% respectively 42% as of 31 December 2023). For further break-down of such gender data, please refer to the Sustainability statement.

Women's share of men's wages constitutes 78% for management personnel, 56% for pilots, 98% for cabin crew and 92% for other personnel. It should be noted that wage differences arise from there being several ranks within each of the above group of employees, and the genders' relative representation at each level differs. The majority of our employee groups' salary levels are defined by CBA agreements. This will apply to all airborne personnel, technical and maintenance and operational office staff. Equal work is always equally paid.

7. Corporate social responsibility

Norse is committed to being a model corporate citizen, operating in accordance with responsible, ethical, sustainable, and sound business principles. Norse has respect for people, the environment and society. Norse has zero tolerance for unethical practices and has strict policies around antibribery and anti-corruption.

Employees
We believe that if we take care of our people, our people will take care of the business. Passionate and empowered colleagues make great ambassadors, which has a positive impact on our customers, our communities and our business. We encourage union representation as we believe that contributes to a fruitful employer relationship. To guide us in our journey towards becoming the Explorer's Airline, Team Norse has together identified three core values that we will live and breathe and that will give us a competitive advantage. Our values are Inclusive, Ownership and Kindness.

Communities
Our affordable transatlantic flights bring people together. The communities where we live, work and visit are an essential part of what connects us. That's why we believe that cooperating and partnering with local organizations and authorities will benefit the communities with which we interact. Our planes are named after the iconic national parks of our destination countries. Collaborating with national parks may be a key corporate responsibility initiative for us in the future.

Environmental Sustainability
Aviation represents about 2 percent of global emissions, and we will do our utmost to contribute to reducing our carbon impact while sustaining and creating jobs and economic growth. A modern fleet of Boeing 787 Dreamliners, optimizing fuel efficiency as well as carbon offsets will contribute to reducing our overall carbon footprint. We will use sustainable aviation fuels when it becomes available at commercially sustainable volumes and prices. We operate direct flights only, using the most modern and carbon-efficient fleet of Boeing 787 Dreamliners. Our Dreamliners have more seats than the competition while still offering a great customer experience. That combination gives us best-in class carbon emissions per passenger on transatlantic flights. We will also be offering our customers the option to carbon offset their flights, thus contributing to reducing their total environmental footprint. In addition, we will work diligently to eliminate waste generation through source reduction and recycling/reuse where possible. We also support legislation that provides incentives and funding for climate change, including sustainable aviation fuels.

Please refer to Norse's CSR contained within the Annual Report 2024 for Norse Atlantic ASA (group), available on the Company's website, for more information.

8. Transparency Act

The Company is obliged and committed to comply with the Norwegian Act on enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act). The Act and the duties following from it builds upon the UN Guiding Principles for Business and Human Rights. Norse applies relevant policies internally in its own organisation and externally towards suppliers, carries out risk-based due diligence assessments of own activities and in the supply chain, and implement improvement measures such as appropriate. The Company's yearly statements on the due diligence assessments are made available on the Company's website once approved by the Board of Directors. Norse published its latest Transparency Act Report on 18 June 2024, and will publish an updated statement no later than 30 June 2025.

9. Outlook

Following the decision to simplify and harmonize the fleet, Norse is now set up with a uniform fleet of 787-9 aircraft only, being flexible from a commercial perspective, as well as even more efficient from a cost perspective. The company will continue to benefit from favourable aircraft lease terms for the remainder of the lease terms being in the range of seven to 14 years and an average lease length of 10.5 years. The aircraft leases have no pricing increases nor inflationary adjustments during the lease term. The lease terms are highly favourable compared to current market rates for the aircraft type and provides Norse with a significant cost advantage.

The Company has been working on a revised business plan for the re-sized 12 aircraft fleet, exploring the opportunities of reducing the overall business risk for the Company by replacing some of its variable revenue with more fixed revenue. Following the announced LOI for a longer-term ACMI engagement, Norse has entered into firm contracts for the leases of four aircraft with well reputed IndiGo, being India's largest, and also one of the world's largest airlines. Execution of the contracts is subject to regulatory approval, one aircraft commencing in March, and the remainder commencing second half of 2025.

The agreement confirms the strong market potential of long-term ACMI/charter and would allow Norse to lock in more of the fleet's capacity and revenue into longer-term contracts, leaving Norse with a business model carrying lower market risk going forward. Assigning major capacities to this long-term contract potentially secures significant revenues, but also allows for cost reductions, and to build a revised and sustainable business model of Norse Atlantic Airways.

As capacity is shifted into the ACMI segment, the Company will high-grade its own network, focusing more and more on the proven and profitable routes. As a result of an improved commercial approach, the Company over the last few months has seen a strong development in load factor. Transitioning to a dual strategy business model will allow for the Company to reduce the overall cost of operating a slimmer own scheduled network and also aiming to increase crew utilization for the remainder of own operations. Cost improvements are already on their way as the company during the quarter established new offices in Riga, Latvia, which will take over certain services previously delivered from our Arendal offices, leaving the Company with significant cost improvements. Efforts are also ongoing to secure benefits from better optimization of crew bases and crew resource utilization. The Company will continue its focus on reducing cost, aiming to being instrumental under the ambition of achieving the lowest cost per unit in the Transatlantic market

The Company has been working on improving marketing and sales, and pre-sales on routes out for sale is continuing to trend well above the pre-sales realized at the same time the previous year.

10. Allocation of net income

The Board of Directors has proposed that the net loss of USD 69,674,113 for the year 2024 to be allocated to the Company's accumulated losses.

Arendal, 26 June 2025

Signed by: Terje Bodin Larsen 4A987892322A4A5...	Signed by: Bjørn Tore Larsen FB441144FEC14E9...
Terje Bodin Larsen	Bjørn Tore Larsen
Chairman	CEO

Docusign Envelope ID: D55AFEAE-1A77-49A4-BAF9-CC5A07170419

Statement of Comprehensive Income

(in thousands of USD)	Notes	**2024**	**2023**
Revenue			
Revenue	4	**338,547**	**244,434**
Operating expenses			
Personnel expenses	5, 6	(72,957)	(51,560)
Fuel, oil and emission costs		(90,865)	(80,666)
Airport charges and handling		(52,368)	(41,824)
Technical maintenance		(49,295)	(42,649)
Other operating costs		(23,327)	(20,949)
Marketing and distribution costs		(19,427)	(14,701)
Administrative costs	7	(12,162)	(10,268)
Related parties expenses	17	(19,827)	(19,211)
Total Operating exps excl. leases, dep & amort.		**(340,227)**	**(281,827)**
Operating profit before leases, dep & amort. (EBITDAR)		**(1,680)**	**(37,394)**
Variable aircraft rentals		(1,319)	(7,159)
Depreciation and amortization	10.2, 12	(42,845)	(33,995)
Operating profit/(loss)		**(45,843)**	**(78,548)**
Interest expenses		(6,805)	(3,780)
Related parties interest expense		(17,304)	(16,793)
Related parties gain/loss on lease modification		-	26,438
Other financial income/(expenses)	8	541	706
Profit/(loss) before tax		**(69,411)**	**(71,976)**
Income tax	9	(263)	-
Profit / (loss) for the year		**(69,674)**	**(71,976)**
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**(69,674)**	**(71,976)**

Statement of Financial Position

(in thousands of USD)	Notes	**31 DEC 2024**	**31 DEC 2023**
Non-current assets			
Aircraft and other tangible assets	10	474,034	318,189
Intangible assets	12	2,774	3,324
Investment in subsidiaries	16	1,066	1,066
Total non-current assets		**477,874**	**322,579**
Current assets			
Credit card receivables	14	100,295	60,214
Trade and other receivables	14	6,141	4,726
Inventories	13	4,600	3,326
Other current assets	14	5,500	11,088
Related parties receivables	14, 17	25,958	37,700
Cash and cash equivalents	14, 15	7,105	12,375
Total current assets		**149,599**	**129,429**
Total assets		**627,473**	**452,008**
Equity and liabilities			
Equity			
Share capital	18	34	34
Share premium		29,656	29,656
Other paid-in capital		19,026	15,946
Accumulated losses		(288,285)	(219,415)
Total equity		**(239,570)**	**(173,778)**
Non-current liabilities			
Lease liabilities non-current	10, 14 ,17	454,053	316,713
Provisions	11	25,206	13,257
Related parties payables	14, 17	84,911	84,911
Total non-current liabilities		**564,170**	**414,881**
Current liabilities			
Deferred passenger revenue	14	47,559	22,975
Trade and other payables	14	73,719	53,715
Lease liabilities current	10, 14 ,17	38,907	22,608
Related parties payables	14, 17	142,689	111,607
Total current liabilities		**302,873**	**210,906**
Total equity and liabilities		**627,473**	**452,008**

Arendal, 26 June 2025

Signed by:
Terje Bodin Larsen
4A987892322A4A5...
Terje Bodin Larsen
Chairman

Signed by:
Bjørn Tore Larsen
FB441144FEC14E9...
Bjørn Tore Larsen
CEO

Statement of Cash flows

(in thousands of USD)	Notes	2024	2023
Cash flows from operating activities			
Profit/(loss) before tax		(69,411)	(71,976)
Adjustments for items not affecting operating cash flows:			
Depreciation and amortization	10.2, 12	42,845	33,995
Interest expenses		24,109	20,573
Interest income	8	(445)	(459)
Share-based payments to employees	5.2	231	228
Provisions	11	4,785	435
Gain on lease terminations		-	(26,438)
Net operating cash flows before working capital movements		**2,114**	**(43,643)**
Working capital movements		50,300	29,013
Net cash flows from operating activities		**52,414**	**(14,630)**
Cash flows from investing activities			
Other investments		(1,014)	(2,139)
Net cash flows from investing activities		**(1,014)**	**(2,139)**
Cash flows from financing activities			
Loans from the Parent		-	52,777
Lease installments		(32,925)	(13,430)
Interest income		445	459
Interest paid		(24,109)	(19,727)
Net cash flows from financing activities		**(56,589)**	**20,079**
Effect of foreign currency revaluation on cash		(82)	210
Net increase in cash and cash equivalents		**(5,270)**	**3,520**
Cash and cash equivalents at the beginning of the period		12,375	8,855
Cash and cash equivalents at the end of the period	15	**7,105**	**12,375**

Statement of Changes in Equity

1 Jan 2024 to 31 Dec 2024

(in USD thousands except for number of shares and value per share)	Number of shares	Issued share capital	Share premium	Other paid-in capital	Accumulated losses	Total equity
Balance as at 01 Jan 2024	3,000	34	29,656	15,946	(219,415)	(173,779)
Changes in Equity						
Total comprehensive income for the period	-	-	-		(69,674)	(69,674)
Group contribution from parent				2,848	803	3,652
Share based employee incentives				231	-	231
Balance at 31 Dec 2024	**3,000**	**34**	**29,656**	**19,026**	**(288,285)**	**(239,570)**

1 Jan 2023 to 31 Dec 2023

(in USD thousands except for number of shares and value per share)	Number of shares	Issued share capital	Share premium	Other paid-in capital	Accumulated losses	Total equity
Balance as at 1 Jan 2023	3,000	34	29,656		(151,872)	(122,182)
Changes in Equity						
Total comprehensive income for the period	-	-	-		(71,976)	(71,976)
Group contribution from parent				15,719	4,434	20,152
Share based employee incentives				228	-	228
Balance at 31 Dec 2023	**3,000**	**34**	**29,656**	**15,946**	**(219,415)**	**(173,779)**

Notes to the Financial Statements

1. General information

Norse Atlantic Airways AS ("The Company") is a fully owned subsidiary of Norse Atlantic ASA (the "Parent"). The company was founded in March 2021 by Bjørn Tore Larsen, who is also the CEO and the major shareholder of the airline. The Company is located in Arendal, Norway.

The Company is a part of Norse Atlantic airways Group of companies ("Norse"). Norse is a new long-haul airline that offers affordable fares on transatlantic routes. Norse Atlantic Airways commenced commercial flight operations in June 2022. The Company serves the intercontinental market with modern, fuel-efficient, and more environmentally friendly Boeing 787 Dreamliners.

The Company also provides management services to other companies within the Norse Group. The Company subleases 7 aircraft from its parent, Norse Atlantic ASA as at 31 December 2024. At the beginning of 2024 the Company subleased 4 aircraft from Norse Atlantic ASA.

2. Basis of preparation and material accounting policies

These financial statements have been prepared in accordance with IFRS Accounting Standards and IFRIC interpretations as adopted by the European Union and in accordance with Norwegian Accounting Act §3-9. These financial statements have been prepared on a historical cost basis with some exceptions, as detailed in the accounting policies below. The financial statements are presented in USD and all values are rounded to the nearest thousand (USD 1000) except where otherwise indicated.

These financial statements have been prepared based on the assumption of going concern.

The principal accounting policies applied in the preparation of these financial statements are set out below. They have all been applied consistently throughout the Period.

2.1. Foreign Currency translation

The functional and presentational currency of the Company is United States dollars (USD).

Income and expenses denominated in foreign currencies are translated into USD at the exchange rates prevailing at the dates of the transactions. Exchange gains and losses resulting from settlements of such transactions as well as from the translation at period and exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statements as *other financials income/(expense).*

2.2. Revenue recognition

Revenue comprises the amounts that reflect the consideration to which the Company expects to be entitled in exchange for goods and services promised to be transferred to customers in the general course of the Company's activities. Revenue is shown net of value-added tax and discounts. The Company recognizes revenue when the performance obligations in the contract with the customer are satisfied.

Revenue from the airline business is generally associated with the performance obligation of the air transport taking place. Tickets are usually sold in advance of the air transport taking place. The Company receives payment at or shortly after the time of sale, but such payments might be partly delayed until time of transport with any hold-back imposed by credit card acquirers for security reasons. Between the time of sale and time of air transport, the amounts collected from the customers are accounted for as contract liability and is included in *'Deferred passenger revenue'* in the Company's statement of financial position. The contract liability is measured on an individual basis for all tickets sold, and the contract obligation is then reduced in accordance with revenue recognition of flights performed in the period. The value of the resulting air traffic settlement liabilities, less any taxes collected on behalf of authorities, represents the aggregate transaction price of performance obligations not yet satisfied.

Tickets are often sold few months prior to the air transport taking place. The contracts with customers hence have a duration of less than one year and the corresponding liabilities will always fall due within one year. A financial year's reported revenue will therefore include the entire closing balance of the prior year's air traffic settlement liabilities. As the time between ticket sale and time of the air transport taking place is less than one year and based on materiality considerations the Company does not recognize any financing element in relation to ticket sales.

Tickets sold through the Company's website are paid by debit card or credit card, whereas the various credit card acquirers settle the payments with the Company under various credit terms and rules of holdback. Receivables related to tickets sold, not yet settled with the Company, are recognized under the line item 'Credit card receivables' (being a contract asset) in the statement of financial position. Trade receivables under the line item 'Trade and other receivables' on the other hand will include receivables (contract assets) in relation to services invoiced directly from the Company to the customer, such as for services related to charter/ACMI and maintenance services.

Airfare passenger revenue

Airfare passenger revenue is recognized and reported when the air transport has been carried out and the performance obligations are therefore satisfied. The value of tickets sold, and which are still valid but not used by the reporting date (amounts sold in excess of revenue recognized) is reported as current liability under 'Deferred passenger revenue' in the Company's statement of financial position. This liability is reduced when the Company completes the transportation or if/when the amount is refunded to the customer.

Amounts paid by 'no-show' customers are recognized as revenue when the booked service is provided, and performance obligations are satisfied. 'No-show' customers with low fare tickets are not entitled to change flights or seek refunds for other than taxes once a flight has departed.

Ancillary passenger revenue

Ancillary passenger revenue comprises of sales of products and services to passengers, such as revenue from baggage sales, seating and premium upgrades and food and beverages onboard the aircraft. Most of the products and services do not have separate performance obligations but are associated with the performance obligation of the air transport and are hence recognized as revenue at the time of the transport. Between the time of sale and time of transport such ancillary revenue items are accounted for as contract liability and is included in *'Other current liabilities'* in the Company's statement of financial position.

Charter revenue

The Company offers services of operating flights on behalf of others, both for ad hoc flights and for series of flights over a longer term. Customers for longer term assignments typically would be other airlines adding capacity to their own scheduled network or cruise lines feeding customers into their cruise harbours. All charters are operated under Norse Air Operator's Certificates (AOCs. Charters can be in the form of ACMI (Aircraft, Crew, Maintenance, Insurance delivered by the lessor) whereas the lessee is responsible for paying jet fuel, handling and airport charges outside of the lease rate. Charters could also imply the lessor being responsible for the jet fuel cost.

Charters are typically remunerated either at a fixed cost per pre-defined segment or per block hour (hours the aircraft is being operated). Charter revenue is recognised in the statement of comprehensive income as the service is delivered to the customer.

Other revenues

Other revenues are recognized when the performance obligations have been satisfied through the rendering of services.

2.3. Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use ("ROU") asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The aircraft leases have been discounted using the rate implicit in the lease on each aircraft lease agreement separately. The calculation of the discount rate implicit in the lease is based on information within the lease agreement, public lessor information and fair values of aircraft published and provided by third parties. No parts of the calculation are based on assumptions made by the Company. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The lease liability is presented as a separate line in the statement of financial position. All variable lease payments, that are payable based on actual utilization of the underlying asset, are excluded from the calculation of lease liability. All variable lease payments are expensed to the statement of comprehensive income during the period to which such variable payments relate to.

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Company incurs an obligation for costs to return the underlying assets to the lessee at specific condition required by the terms of the lease, a provision is recognised and measured under IAS 37. To the extent such costs relate to a ROU asset, the costs are included in the related ROU asset, unless those costs are incurred to produce inventories.

ROU assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The Company applies IAS 36 to determine whether a ROU is impaired and accounts for any identified impairment loss in its statement of comprehensive income.

2.4. Intangible assets

Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

2.5. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

2.6. Financial assets and liabilities

Financial assets and liabilities are recognized when the Company becomes party to the contractual obligations of the instrument and are initially recognized at fair value, except trade receivables that are measured at transaction price if the trade receivables do not contain a significant financing component.

Subsequent to initial measurement, financial assets and liabilities are classified as per below. Investment in subsidiary is recognized at historical cost and tested for impairment.

Financial assets and liabilities measured at amortized cost

This category is the most relevant for the Company and includes lease liabilities, trade payables and other financial assets and liabilities with fixed or determinable payments that are not quoted in an active market. Financial assets and liabilities in this category are initially recognized at fair value, net of directly attributable transaction costs. After initial measurement financial assets and liabilities in this category are subsequently carried at amortized cost using the effective interest rate (EIR) method, less any allowance for impairment. The EIR amortization is included in finance income for receivables and finance cost for borrowings. Losses arising from impairment of accounts receivable are recognized in operating expenses.

2.7. Inventory

Inventory of spare parts are carried at the lower of cost and net realisable value. Cost is calculated using the weighted average cost. Inventory includes aircraft parts which are consumables and non-renewable.

2.8. Provisions

Provisions are recognized when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognized as a finance cost.

2.9. Statement of cash flows

The Company's statement of cash flows is prepared using the indirect method. Cash flows from operating activities are incorporated as a part of the cash flow statement and the cash flows are divided into operating activities, investing activities and financing activities. In the cash flow statement, the net profit is adjusted for non-cash items, such as depreciation and non-cash movements in accounts payable and receivables. Any cash flows that have been recorded as part of the net profit, but which are investing or financing in nature, are removed from operating cash flows and presented as part of investing or financing cash flows.

2.10. Income tax

The income tax expenses or benefit for the period consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities, with the exception of:

- temporary differences related to investments in subsidiaries, associates or joint ventures when the Company controls when the temporary differences are to be reversed and this is not expected to take place in the foreseeable future.

Deferred tax assets are recognised when it is probable that the Company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. The Company recognises previously unrecognised deferred tax assets to the extent it has become probable that the company can utilise the deferred tax asset. Similarly, the Company will reduce a deferred tax asset to the extent that the Company no longer regards it as probable that it can utilise the deferred tax asset. The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date.

Deferred tax and deferred tax assets are recognised at their nominal value and classified as non-current asset investments (long-term liabilities) in the statement of financial position.

Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

2.11. Critical accounting estimates and judgments

Preparation of the Company's financial statements requires management and the board to make estimates, judgments and assumptions that affect the reported amount of revenue, expenses, assets and liabilities, as well as the accompanying disclosures. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. Uncertainty about these estimates, judgments and assumptions could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimation of useful lives of assets

The entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of assets

The entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. The recoverable amount is based on third party valuations, or management calculations. Management calculation of fair value less costs of disposal or value-in-use incorporates several key estimates and assumptions.

Aircraft lease provisions

As per the terms of aircraft lease agreements, the Company is obliged to redeliver the aircraft to the lessors at the expiry of the lease term in certain redelivery condition as prescribed in the lease agreements. For the purpose of the initial measurement of the ROU asset, the Company has made an estimate of such maintenance, restoration and return costs. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time.

Maintenance, restoration and return provisions arising on the commencement of a lease are recognised as a provision with a corresponding amount recognised as part of the ROU asset. Any change in estimation relating to such costs are reflected in the ROU asset. Maintenance and return provisions that occur through usage or through the passage of time are recognised with a corresponding amount recorded over time in the income statement.

Lease discount rate

The aircraft lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. The aircraft leases have been discounted using the rate implicit in the lease on each aircraft lease agreement separately. The calculation of the discount rate implicit in the lease is based on information within the lease agreement, public lessor information and fair values of aircraft published and provided by third parties. No parts of the calculation are based on assumptions made by the Company. Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

3. Financial risk

As at 31 December 2024, the company does not have any interest-bearing debt to non-related parties. As at the year end, the Company's principal financial assets are its cash deposits held with banks. The Company's key financial risk is described below.

3.1. Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates primarily relates to its cash and cash equivalents held in foreign currencies.

(In thousands of equivalent USD)	**31 DEC 2024**	**31 DEC 2023**
Cash and cash equivalents held in foreign currencies		
NOK	1,580	3,499
GBP	180	538
EUR	282	2,589
THB	36	13
Total Cash and cash equivalents held in foreign currencies	**2,078**	**6,639**
Cash and cash equivalents held in USD	5,027	5,736

As at 31 December 2024 29.2% of the Company's cash and cash equivalents are held in foreign currencies of which 22% is held in Norwegian Kroner (NOK).

The Company mitigates this risk through the matching of receipts and payments in individual currencies and holding foreign currency balances to meet future obligations. The company does not currently hold any derivatives for hedging the currency risk.

3.2. Liquidity risk

The objective of the Company's liquidity risk management is to ensure that the Company maintains sufficient cash balance to prepare the Company for its operations and take it well into its operational phase. The Company's senior management closely monitors the movement in the Company's liquidity position on a weekly basis and forecasts for liquidity reserves based on expected cash flows.

The following table shows the maturity profile of the Company's financial liabilities as at 31 December 2024 based on the contractual payment terms. The amounts disclosed below are undiscounted cash flows.

2024:

(In thousands of USD)	Within 6 months	6 - 12 months	1 - 2 years	3 - 5 years	More than 5 years	Total
Aircraft lease payments	24,510	24,510	98,040	98,040	277,015	522,115
Other lease payments	3,901	3,901	7,802	15,723	49,683	81,010
Total of lease liabilities	**28,411**	**28,411**	**105,842**	**113,763**	**326,698**	**603,125**
Deferred passenger revenue	47,559	-	-	-	-	47,559
Trade and other payables	73,719	-	-	-	-	73,719
Payable related parties	71,345	71,345			84,911	227,600
Total as at 31-Dec-2024	**221,033**	**99,755**	**105,842**	**113,763**	**411,609**	**952,002**

2023:

(In thousands of USD)	Within 6 months	6 - 12 months	1 - 2 years	3 - 5 years	More than 5 years	Total
Aircraft lease payments	13,590	14,340	28,680	57,360	230,513	344,483
Other lease payments	3,989	4,037	7,802	15,723	57,485	89,036
Total of lease liabilities	**17,579**	**18,377**	**36,482**	**73,083**	**287,998**	**433,519**
Deferred passenger revenue	22,975	-	-	-	-	22,975
Trade and other payables	53,715	-	-	-	-	53,715
Payable related parties	55,803	55,803	-	-	84,911	196,518
Total as at 31-Dec-2023	**150,073**	**74,181**	**36,482**	**73,083**	**372,909**	**706,727**

3.3. Credit risk

Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in financial loss to the Company. The Company is exposed to credit risk primarily from cash held at bank and aircraft lease deposits, as well as credit exposure to commercial customers/credit card institutions. The Company manages its counterparty risk relating to cash held at bank by only holding deposits at banks with highest credit rating and financial institutions. As at 31 December 2024 all of Norse's cash and cash equivalents were held with Nordea Bank. The risk arising from receivables on credit card companies are monitored closely.

3.4. Capital management

The objective of the Company is to manage capital to ensure a going concern in order to meet operational demands, minimise cost of capital and maximise the return on capital employed. The Company has initially been fully financed by equity and has no other external debt than debt arising from lease agreements.

3.5. Fuel risk

The Company is exposed to fuel price risks as it represents a substantial part of operating expenses. Fuel risk therefore is an operational risk and does not constitute a financial risk as at 31 December 2024. The Company does not currently hedge its fuel price risk.

3.6. Interest rate risk

The Company is not substantially exposed to changes in interest rate as it does not have any interest-bearing debt to non-related parties. The Company does not currently hedge its interest risk.

3.7. Climate risk

Vulnerability to the effects of global warming and climate change has the potential to affect the Company's operations and business. Climate change has resulted in more volatile weather, such as a greater frequency and intensity of storms, which could disrupt the Company's operations by reducing handling capacity at airports. Any increase in delayed or cancelled flights could increase disruption compensation costs and reduce revenue, as well as have an adverse effect on the Company's reputation. The Company is also exposed to risks associated with the limitation of greenhouse gas emissions and environmental regulation and legislation, in addition to measures that may be introduced in the future. The European Union introduced the Emissions Trading Scheme (the "EU ETS") in 2003 to limit greenhouse gas emissions and the trading allowances which applies to the airline industry. Moreover, the Company may experience reduced demand for its services if customers become more reluctant to travel by air because of the increased focus on the environmental impact of air travel. All of these factors may limit the Company's operational flexibility, increase costs or reduce demand for international air travel and therefore could have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

3.8. Going concern

Management and the Board of Directors take account of and consider all available information when evaluating the application of the going concern assumption. For this report, the going concern assumption has been evaluated for a period of 12 months following the end of the reporting period. The going concern assumption of the Company is subject to uncertainty.

Being an airline in its build-up phase, the Company has incurred losses over the first periods of operation, and as at 31 December 2024 the reported equity is negative USD 239.6 million.

The Company's total cash position as at 31 December 2024 is USD 7.1 million.

The Company and the Group has been through a process of shaping a strategic reorientation for Norse. The outcome of such process is a revised business plan implying the Company allocating a significant portion of its capacity towards longer-term ACMI services, whereas the Company has secured new contracts supporting the execution of such business plan. The plan implies a more modest capacity allocated to operation of routes within own scheduled network, in turn allowing for the Company focusing its most profitable routes. The revised business plan implies generation of year-round fixed revenue and cash flows, and a de-risking of the business model.

Based on the major contracts entered into, as well as the Company's overall plans and ambitions, Norse has prepared financial forecasts that over time show a positive development both in the Group's financial results, financial position in terms of equity and in cash position. Forecasts are subject to risks and uncertainties. Some significant risk factors include, but are not limited to, commercial success expressed through achieved load factors and fares, as well as the future development in jet fuel prices. The demand for air travel is subject to seasonal variations and can also be significantly impacted by macroeconomic factors, such as high inflation, that could have a negative impact on customers' spending behaviour. Airline fares, freight rates and passenger demand have fluctuated significantly in the past and may fluctuate significantly in the future.

Specifically, the Company also is in a position of owing an amount of approximately USD 11 million of historic and overdue passenger taxes to the US Internal Revenue Service (IRS), whereas current tax payments are serviced as they fall due. The US IRS has mechanisms of downpayment of such overdue taxes, under which individual agreements must be entered into. The Company already has started paying down overdue taxes and has proactively entered into a dialogue with the US IRS aiming at establishing a formal plan of downpayment.

The Company is financed by the Parent company. The Board of Directors of the Parent has previously concluded that the transition to the revised business model would require a strengthening of the Company's financial position and therefore decided to secure more capital to the Parent. In December 2024, the Parent completed an equity direct private placement towards major shareholder BT Larsen & Co Limited affiliated by CEO Bjørn Tore Larsen, for new shares equal to 15% of the outstanding share capital. The issuance was done at NOK 5.00 per share, bringing in the NOK amount equivalent of USD 8.7 million. In addition, BT Larsen & Co Limited, provided Norse with a new shareholder loan of USD 6.3 million, bringing the total proceeds of new capital up into the amount of USD 15.0 million. The shareholder loan has a final maturity 31 December 2025. The shareholder loan was fully undrawn as per 31 December 2024 and remains undrawn as at the date of approval of this report. Further to this, it was agreed that the existing revolving credit facility to the Parent from the two major shareholders BT Larsen & Co Limited and Scorpio Holdings Limited, should have its final maturity date extended to 31 March 2026.

On 30 May 2025 the Parent entered into a USD 20 million overdraft facility with its bank to support the Group's working capital requirements. This overdraft facility bas been guaranteed by BT Larsen & Co Limited. Effective same date, the undrawn shareholder loan agreement of USD 6.3 million with BT Larsen & Co has been cancelled.

The above measures have strengthened the Parent's ability to provide sufficient financial support to the Company. However, there are several uncertainties affecting the financial position of the Company. This includes but is not limited to factors such as the commercial success of the Company during the winter season, the future development in jet fuel prices, the applied holdback mechanisms of credit card acquirers as well as general operational risks. On the other hand, there is upside potential on the commercial and financial performance of the Company and the Group mainly resulting from larger fleet capacity allocated to fixed income generating ACMI contracts as well as pre-sales on routes out for sale trending well above pre-sales realized at the same time of previous year. The Company's debt to the Parent is subordinated to external debt.

Based on knowledge of the business plan established for the Company, in the Board of Directors' opinion, there is established a viable plan for the Company to be able to generate profits. In the Board of Directors' opinion, the going concern assumption is present and applies as basis for the Company's financial statements, but under the conditions present, the going concern assumption is subject to uncertainty. In the case that the going concern assumption should not serve as basis for the Company's financial statements, depending on the specific circumstances, some assets of the Company's may carry values lower than the values at which they are presented in these financial statements.

4. Revenue

(in thousands of USD)	**2024**	**2023**
Airfare passenger revenue	205,534	152,556
Ancillary passenger revenue	53,439	41,064
Total passenger revenues	**258,973**	**193,621**
Cargo	13,707	11,264
Total own flights	**272,679**	**204,885**
Charter & ACMI	21,323	4,616
Other revenue	7,629	7,694
Related Parties revenue	36,916	27,239
Total Operating Revenue	**338,547**	**244,434**

Airfare passenger revenue comprises only ticket revenue, while ancillary passenger revenue consists of other passenger related revenue than the ticket revenue. Other revenue earned in 2024 consists of revenue from maintenance services provided the Company's technical personnel to third parties.

The remaining performance obligations under contracts with customers are from contracts that originally had an expected duration of less than a year, and the Company therefore do not disclose further detail on duration of such remaining performance obligations.

5. Personnel expenses

(in thousands of USD)	**2024**	**2023**
Salaries	42,140	30,551
Social security costs	7,494	5,330
Costs related to pension scheme benefits	4,807	2,626
Hired-in employees	5,669	2,504
Other employee costs	12,846	10,549
Total	**72,957**	**51,560**

Number of man-years during the fiscal year	**2024**	**2023**
Cabin Crew	101	62
Pilots	120	80
Non-Crew	186	105
Total	**407**	**247**

The average number of employees in the Company during the Period was 407 (351 in 2023).

5.1. Pensions

During the period, the Company operated defined pension contribution plans in Norway and France, which comply with local pension legislation. The defined pension contribution plans require the Company to pay premiums to occupational pension schemes. In addition, for employees in Norway, Norse participated in a multi-employer defined benefit plan, a private sector tariff-based pension scheme (AFP). For all the pension plans, the Company has no further obligations once contractual premiums have been paid and are thereby recognized in the income statement as defined contribution plans. The premiums are accounted for as personnel expenses as soon as they are incurred.

5.2. Share-based payments to employees

The following represents the status of share-based payments to employees:

In May 2023, the Company's parent company, Norse Atlantic ASA (the Parent), introduced a long-term incentive program (LTIP) whereas senior employees of the Company are awarded with options to buy shares of the Parent. The scheme has a vesting period of 5 years, with 20% of awarded options vesting annually. Vested options are exercisable up until the seventh anniversary of the grant date.

The LTIP is an equity-settled, share-based incentive program under which the Company receives services from the employees as consideration for equity-instruments (share options) of the Parent. It is the obligation of the Parent to settle the share-based payment transactions. The Company recognises an increase in equity equal to the value of the contribution from the Parent. The fair value of the employee services received in exchange for the grants of the options is recognised as an expense over the vesting period, whereas the fair value is determined with reference to the fair value of the options granted.

The fair value of the options is estimated by an external party at the grant date, based on the Black-Scholes-Merton option pricing model, and with reference to relevant market data such as applicable. Employee retention rates are taken into consideration when estimating the number of options granted.

Provisions are made by the Company for social security contributions expected to fall due on exercise of share options. The provision is calculated on a nominal basis, according to the current intrinsic value of the options, considering the degree of vesting and expected employee turnover rates.

To estimate the fair value of the options, the following parameters have been applied:

- Current price of the share: The last available closing price of the Norse Atlantic ASA share at the grant date

- Strike price: Such as agreed, being a volume weighted average of traded share price over the past five days of trading prior to the grant date
- Volatility: Due to Norse Atlantic's limited length of share price history, the expected volatility is estimated using the historical or implied volatility of five benchmark listed airline entities
- Dividends: As future dividend distributions will not result in the amendment of the exercise price, no dividend parameter is considered
- Risk free interest rate: The exercise price is expressed in Norwegian Krone (NOK), and to find a zero-coupon government bond denominated in NOK, and with term similar to that expected of the options, reference is made to Norges Bank Statskasseveksler and Obligasjoner (bond).

	2024		**2023**	
(in NOK and number of options)	No of share options	Weighted average exercise price	No of share options	Weighted average exercise price
Outstanding at the beginning of the period	2,562,500	12.57	-	-
Granted during the period	-	-	2,562,500	12.57
Forfeited during the period	(775,000)	12.46	-	-
Outstanding at the end of the period	1,787,500	12.66	2,562,500	12.57
Exercisable at the end of the period	390,850	12.67	-	-

Measurement of fair value of granted share options[1]:

(NOK or such as otherwise stated)	**2024**	**2023**
Number of options	-	2,562,500
Contractual life (years)	-	7.00
Strike price	-	12.57
Share price	-	13.04
Expected lifetime (years)	-	4.00
Volatility (%)	-	72.33%
Interest rate (% p.a.)	-	3.446 %
Dividend (% p.a.)	-	0.0 %
Fair value per instrument	-	7.29

1) Weighted average parameters at grant of share options

	2024	**2023**
Range of exercise prices of outstanding options (NOK)	12.38-12.75	12.38-12.75
Weighted average remaining contractual life (years)	5.48	6.62
Liabilities from share-based payment transactions (thousands of USD)	-	-

	2024	**2023**
Total expense arising from share-based payment transactions	231	228
Portion of expense arising from equity settled share-based payment transactions	231	228

6. Remuneration to Key Management personnel

2024

(in thousands of USD)		Employment Country	Salaries[1]	Fees	Other benefits[2]	Total	Defined pension contributions[3]
Bjørn Tore Larsen	Chief Executive Officer	Norway	155	-	4	159	14
Anders Hall Jomaas	Chief Financial Officer[4]	Norway	-	335	-	335	-
Bård Nordhagen	Chief Commercial Officer[5]	Norway	103	-	3	105	14
Thom Arne Norheim	Chief Operating Officer	Norway	168	-	4	172	14
Kristin Berthelsen	Chief of Staff and Culture Officer[6]	Norway	122	116	1	240	9
Total in 2024			**549**	**451**	**12**	**1,012**	**52**

1) Includes holiday pay
2) Other benefits include insurance, telephone, internet, etc
3) Defined pension contributions show pension premium paid
4) Anders Hall Jomaas provides his services to the Company under a contract between Shiphold Management AS and the Company. He receives no salary or employment benefits directly from the Company. The amount stated as fees is the total amount invoiced under the contract for the period. Net of social security taxes, pension, insurance and other costs, this is equivalent to a salary of approximately USD 200,000. The Company's CEO, Bjørn Tore Larsen, is the controlling shareholder of Shiphold Management AS
5) Bård Nordhagen assumed the role as Chief Commercial Officer on 6 June 2024
6) Kristin Berthelsen was formally employed by the Company as from 1 June 2024. Prior to that she provided her services to the Company under a contract between Activepeople AS and the Company. During that period, she received no salary or employment benefits directly from the Company. The amount stated as fees is the total amount invoiced under the contract for the period. Net of social security taxes, pension, insurance and other costs, this is equivalent to a salary of approximately USD 70,000, which brings total fees and salary up to an amount equivalent of a salary of approximately USD 192,000. Kristin Berthelsen is a shareholder of Activepeople AS.

As at 31 December 2024 none of the key management personnel were contractually entitled to any bonus.

2023

(in thousands of USD)		Employment Country	Salaries[1]	Other benefits[2]	Defined pension contributions[3]	Total
Bjørn Tore Larsen	Chief Executive Officer	Norway	165	3	14	183
Anders Hall Jomaas	Chief Financial Officer[4]	Norway	177	-	-	177
Ben Boiling	Managing Director Norse UK[5]	Norway	195	5	14	215
Thom Arne Norheim	Chief Operational Officer	Norway	166	11	14	192
Kristin Berthelsen	Chief Culture Officer[6]	Norway	273	-	-	273
Total in 2023			**977**	**20**	**43**	**1,040**

1) Includes holiday pay
2) Other benefits include insurance, telephone, internet, etc
3) Defined pension contributions show pension premium paid
4) Anders Hall Jomaas was appointed Chief Financial Officer effective from 1 July 2023. Anders Hall Jomaas holds his employment with Shiphold Management AS, in turn providing his services under a contract with the Company. The amount presented represents the amount invoiced under the contract for the period. The Company's CEO, Bjørn Tore Larsen, is the controlling shareholder of Shiphold Management AS
5) Ben Boiling held the position as Chief Financial Officer up until 30 June 2023. Effective from 1 July 2023 he was appointed Managing Director Norse Atlantic UK
6) Kristin Berthelsen receives no salary or employment benefits directly from the Company as she is contracted through an engagement with Active Partner, a company Kristin jointly controls. The amount presented represents the amount invoiced under the contract for the period.

As at 31 December 2023, none of the key management personnel are contractually entitled to any bonus.

6.1. Board remuneration

No remuneration has been paid to its Board of Directors during 2024 and 2023.

7. Auditor's remuneration

(in thousands of USD)	**2024**	**2023**
Audit fee	159	114
Other services	-	2
Tax services	-	-
Total	**159**	**116**

The company elected RSM Norge AS as its auditor for the 2024 financial year.

8. Other financial income/(expense)

(in thousands of USD)	**2024**	**2023**
Other financial income/(expense)	445	459
Foreign exchange gains	1,174	1,857
Foreign exchange losses	(1,078)	(1,610)
Total	**541**	**706**

9. Income tax

The Company's income tax expense for the period was as per below.

(in thousands of USD)	**2024**	**2023**
Current tax:		
Tax payable	263	-
Deferred tax		
Changes in deferred tax	(11,756)	-14,506
Deferred tax asset not recognized	11,756	14,506
Income tax expense	**263**	**-**

Reconcilitation of effective tax rate and Norwegian tax rate:

(in thousands of USD)	**2024**	**2023**
Pre-tax profit for the Period	(69,411)	(71,976)
Income taxes calculated at 22%	(15,270)	(15,835)
Non-deductible expenses	(5)	57
Effect group contribution	3,011	577
Taxes paid abroad	263	
Other effects due to timing and exchange rates	508	694
Deferred tax asset not recognized	11,756	14,506
Income tax expense	**263**	**-**

(in thousands of USD)	**2024**	**2023**
Right of use lease asset	101,561	68,412
Other fixed assets	647	443
Lease liabilities	(108,451)	(74,651)
Provisions	(5,762)	(6,965)
Tax losses carried forward	(42,749)	(30,235)
Net deferred tax liabilities (assets)	**(54,754)**	**(42,995)**
Of which recognized in the consolidated statement of financial position at the yearend	**-**	**-**

The Company has not recognized any deferred tax assets during the Period as it is not certain about the timing and amount of tax losses that may be utilized in the future.

10. Leases and tangible assets

10.1. Aircraft leases

As at 31 December 2024, the Company has leased in 7 aircraft from the Parent. Average remaining lease period for these aircraft are 10.1 years from

10.2. Aircraft and other tangible assets

2024:

(In thousands of USD)	**ROU Aircraft**	**ROU Aircraft parts**	**ROU Other**	**Aircraft parts**	**Other tangibles**	**Total**
Acquisitions:						
Opening balance 01-Jan-2024	300,807	55,447	440	7,262	990	364,947
Additions	190,229	-	754	6,814	-	197,796
Disposals	-	-	-	-	-	-
Acquisition cost 31-Dec-2024	491,036	55,447	1,194	14,076	990	562,743
Depreciation:						
Opening balance 01-Jan-2024	(42,574)	(2,761)	(397)	(826)	(200)	(46,758)
Depreciation	(35,488)	(4,641)	(170)	(1,370)	(241)	(41,910)
Disposals	-	-	-	(42)	-	(42)
Depreciation per 31-Dec-2024	(78,061)	(7,402)	(567)	(2,238)	(441)	(88,709)
Closing balance at 31-Dec-2024	**412,975**	**48,045**	**627**	**11,838**	**549**	**474,034**
Useful life (years)	6 - 16	10 - 12	2 - 3	10	3 - 5	

2023:

(In thousands of USD)	ROU Aircraft	ROU Aircraft parts	ROU Other	Aircraft parts	Other tangibles	Total
Acquisitions:						
Opening balance 01-Jan-2023	736,854	15,873	440	6,475	404	760,047
Additions	-	39,574	-	787	585	40,947
Disposals	(436,047)	-	-	-	-	(436,047)
Acquisition cost 31-Dec-2023	300,807	55,447	440	7,262	990	364,947
Depreciation:						
Opening balance 01-Jan-2023	(41,858)	(469)	(237)	(205)	(82)	(42,851)
Depreciation	(30,117)	(2,292)	(160)	(621)	(118)	(33,308)
Disposals	29,402	-	-	-	-	29,402
Depreciation per 31-Dec-2023	(42,574)	(2,761)	(397)	(826)	(200)	(46,758)
Closing balance at 31-Dec-2023	**258,234**	**52,687**	**43**	**6,436**	**790**	**318,189**
Useful life (years)	6 - 16	10 - 12	2 - 3	10	3 - 5	

10.3. Lease liabilities

(In thousands of USD)	**2024**	**2023**
Opening balance	339,321	738,448
Additions/(Disposals) during the period	189,401	(360,725)
Interest accrued	17,058	16,116
Fixed lease payments during the period	(52,821)	(54,518)
Closing balance	**492,959**	**339,321**
Of which:		
Due within 12 months	38,907	22,608
Due after 12 months	454,053	316,713

Refer to Note 3.2 Liquidity risk for information on maturity profile of above lease liabilities.

10.4. Aircraft maintenance provisions

The requirements of the leases are such that Norse is obliged to maintain the airworthiness of the aircraft. Airworthiness requirements for the airline industry are the same whether the entity owns or leases the aircraft. The lease requires Norse to redeliver the aircraft to the lessors at the expiry of the lease term in certain redelivery condition as prescribed in the lease agreements. A provision is recognised for overhaul and maintenance costs of the future maintenance obligation at the time when such obligation becomes certain. This is when the respective aircraft component no longer meets the lease re-delivery conditions. Such provision is then recognised as an aircraft maintenance asset (Right of use asset) and depreciated over the period until the next maintenance event, the end of the asset operational life or the end of the lease. These assets are recognised at the commencement of each individual lease. Additionally, where the timing of the maintenance event is determined by usage, Norse makes provisions based on Flight hours or Cycles as applicable, which are expensed directly through the Statement of Comprehensive Income.

Refer to note 11 for further information on Provisions.

11. Provisions

(In thousands of USD)	2024	2023
Balance as at 01-Jan	13,258	15,571
New provisions under ROU initial recognition	808	-
Transferred from/(to) other Group companies	5,970	(10,888)
New maintenance provisions through profit/loss	3,917	5,688
New other provisions through profit/loss	414	435
Interest charge on discounted provisions	1,207	3,240
Amounts of provisions used during the period	(368)	(788)
Balance as at 31-Dec	25,206	13,258
Of which:		
Due within 12 months	-	-
Due after 12 months	25,206	13,258

12. Intangible Assets

2024:

(In thousands of USD)	Software	Total
Acquisitions:		
Opening balance 01-Jan-2024	4,361	4,361
Additions	385	385
Acquisition cost 31-Dec-2024	4,746	4,746
Amortisation:		
Opening balance 01-Jan-2024	(1,037)	(1,037)
Amortisation	(935)	(935)
Amortisation per 31-Dec-2024	(1,972)	(1,972)
Closing balance at 31-Dec-2024	**2,774**	**2,774**
Useful life (years)	3 - 5	

2023:

(In thousands of USD)	Software	Total
Acquisitions:		
Opening balance 01-Jan-2023	3,151	3,151
Additions	1,210	1,210
Acquisition cost 31-Dec-2023	4,361	4,361

Amortisation:

Opening balance 01-Jan-2023	(350)	(350)
Amortisation	(687)	(687)
Amortisation per 31-Dec-2023	(1,037)	(1,037)
Closing balance at 31-Dec-2023	**3,324**	**3,324**
Useful life (years)	3 - 5	

13. Inventory

(In thousands of USD)	**31 DEC 2024**	**31 DEC 2023**
Engine oil	-	6
Consumables	4,600	3,319
Total	**4,600**	**3,326**

14. Financial assets and liabilities

Financial assets measured at amortized cost are as follows:

(in thousands of USD)	**31 DEC 2024**	**31 DEC 2023**
Financial assets:		
Credit card receivables	100,295	60,214
Other receivables	6,141	4,726
Other current assets: Prepayments	4,119	11,019
Other current assets: Deposits	1,381	70
Cash and cash equivalents	7,105	12,375
Related parties receivables	25,958	37,700
Total financial assets at amortised cost	**144,998**	**126,104**

Financial liabilities:

(in thousands of USD)	**31 DEC 2024**	**31 DEC 2023**
Lease liabilities non-current	454,053	316,713
Related parties payables non-current	84,911	84,911
Deferred passenger revenue	47,559	22,975
Trade and other payables	73,719	53,715
Lease liabilities current	38,907	22,608
Related parties payables current	142,689	111,607
Total financial liabilities at amortised cost	**841,837**	**612,529**
Total net financial liabilities at amortised cost	**696,838**	**486,426**

The fair value of cash and cash equivalents and trade receivables and payables approximate their carrying amounts due to the short-term maturities of these instruments.

15. Cash and cash equivalents

Cash and cash equivalents consist of cash deposits held at call with banks. The Company has restricted cash in form of advance tax payments for employees of USD 1,243,917 (2023: USD 1,038,889).

(In thousands of equivalent USD)	**31 DEC 2024**	**31 DEC 2023**
USD	5,027	5,736
NOK	1,580	3,499
GBP	180	538
EUR	282	2,589
THB	36	13
Total cash and cash equivalents	**7,105**	**12,375**

16. Investment in subsidiaries

(in thousands of USD)			**Equity investment**	
Name of the subsidiary	Country of incorporation	Equity interest as at 31-Dec-24[2]	**2024**	**2023**
Norse Atlantic Airways US LLC	USA	100%	1,066	1,066
Total equity investment at cost			**1,066**	**1,066**

*Voting rights are equivalent to shareholding for all companies

Investment in subsidiary is recognized at historical cost and tested for impairment.

17. Balances with related parties

17.1. Subsidiaries

As at 31 December 2024, the Company holds 100% of shares in Norse Atlantic Airways US LLC (the "subsidiary"). The subsidiary was incorporated on 2 August 2022 and has its business address at 5525 NW 15th Avenue, Suite 202 Fort Lauderdale, FL 33309 USA.

As at 31 December 2024 the company reported a profit of USD 0.7 million and total equity of USD 2.6 million.

17.2. Transactions with other group companies

During the period ended 31 December 2024, the Company has below presented payables and liabilities to related parties.

2024:

(in thousands of USD)	Norse Atlantic ASA	Norse Atlantic US Holding AS	Norse Atlantic UK Ltd	Norse Atlantic USA LLC	Norse Atlantic Airways USA LLC	Total
Current receivable from related parties	-	7,713	3,899	-	14,346	25,958
Total receivable	**-**	**7,713**	**3,899**		**14,346**	**25,958**
Lease payables to related parties non-current	454,053	-	-	-	-	454,053
Lease payables to related parties current	38,907	-	-	-	-	38,907
Current payable to related parties	56,821	-	53,624	10,434	21,809	142,689
Non-current payable related parties	84,911	-	-	-	-	84,911
Total payables	**634,692**	**-**	**53,624**	**10,434**	**21,809**	**720,559**

2023:

(in thousands of USD)	Norse Atlantic ASA	Norse Atlantic US Holding AS	Norse Atlantic UK Ltd	Norse Atlantic USA LLC	Norse Atlantic Airways USA LLC	Total
Current receivable from related parties	28,983	3,877	1,434	-	3,406	37,700
Total receivable	**28,983**	**3,877**	**1,434**		**3,406**	**37,700**
Lease payables to related parties non-current	265,156	-	-	-	-	265,156
Lease payables to related parties current	19,600	-	-	-	-	19,600
Current payable to related parties	31,602	-	73,235	6,769	-	111,607
Non-current payable related parties	84,911	-	-	-	-	84,911
Total payables	**401,269**	**-**	**73,235**	**6,769**	**-**	**481,273**

17.3. Transactions with related parties

Effective 1 July 2023, the Company entered into an agreement with Shiphold Management AS for the provision of the services of Chief Financial Officer, Anders Hall Jomaas. The services are rendered at a rate of USD 27,300 per month and at a total cost of USD 327,600 for the year ended 31 December 2024 (USD 163,800 in 2023). The Company's CEO, Bjørn Tore Larsen, is the controlling shareholder of Shiphold Management AS.

18. Share capital

The Company has one class of ordinary shares and accounts for these shares as equity. At 31 December 2024 the Company's authorized and issued number of shares are 3,000, all with par value NOK 100 per share.

18.1. Share holder

The Company is 100% owned by Norse Atlantic ASA and consolidated into the consolidated financial statements of Norse Atlantic ASA with Business address Fløyveien 14, 4838 Arendal. The consolidated financial statement is available at the Company's website, flynorse.com.

19. Events after balance sheet date

On 6 February 2025, the Company announced that following the announcement 29 November 2024 regarding the entering into of a letter of intent (the "LOI") for wet lease agreements for six aircraft with a reputable international airline, the Company now had signed a firm wet lease agreement for one aircraft with Interglobe Aviation Limited ("IndiGo"). The aircraft started operations in March 2025 for Indigo. The initial term of the Agreement is six months, extendable to up to 18 months, subject to regulatory approvals. Both Parties remain committed to explore opportunities to further extend this period, subject to regulatory approvals. Norse and IndiGo continue exploring opportunities to contract additional aircraft and increase their collaboration further. The commercial terms of the wet lease agreement for one aircraft are in line with what was communicated by the Company in the announcement of the LOI on 29 November 2024.

On 26 February 2025, the Company announced that it had signed a firm wet lease agreement for additional three aircraft with IndiGo with reference to the stock exchange announcement published by the Company on 6 February regarding the entering into of a wet lease agreement for one aircraft with the Indian airline IndiGo. The additional three aircraft are expected to start operations from second half of 2025 serving long haul routes out of India. The initial term of the Agreement is six months, extendable to up to 18 months, subject to regulatory approvals. Both Parties remain committed to explore opportunities to further extend this period, subject to regulatory approvals. The commercial terms of the wet lease agreements are in line with what was communicated by the Company in the announcement of the LOI on 29 November 2024.

On 8 May 2024, the Company announced that it had entered into a wet lease agreement with IndiGo for two more aircraft. This completed the scope of six Boeing 787-9 Dreamliners described in the letter of intent (LOI), published 29 November 2024. The additional two aircraft are expected to start operations by early 2026, serving long haul routes out of India. The initial term of the Agreement is six months, extendable up to 18 months, subject to regulatory approvals. Both parties remain committed to exploring opportunities to further extend this period, subject to regulatory approvals. The commercial terms of the Agreement for the additional two aircraft are in line with what was communicated by the Company in the announcement of the LOI on 29 November 2024.

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To the General Meeting of Norse Atlantic Airways AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Norse Atlantic Airways AS (the Company), which comprise the balance sheet as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 3.8 in the financial statements, which indicates that the Company incurred a net loss of USD 69.7 million during the year ended December 31, 2024 and, as of that date, the Company's equity was negative with USD 239.6 million. As stated in Note 3.8, these events or conditions, along with other matters as set forth in Note 3.8, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

Arendal, 26. June 2025
RSM Norge AS

Eirik Halvorsen
State Authorised Public Accountant
(This document is signed electronically)

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The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Halvorsen, Eirik
Statsautorisert revisor
On behalf of: RSM Norge AS
Serial number: no_bankid:9578-5995-4-96888
IP: 188.95.xxx.xxx
2025-06-26 15:50:41 UTC

bankID

Penneo document key: O2VSF-UHHV4-LBMAJ-SPAHW-63WII-TU9VS

The Norwegian
Tax Administration

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NORSE ATLANTIC ASA
Sandvigveien 19
4816 KOLBJØRNSVIK

Att. Ben Boiling

Permission to prepare the annual accounts and directors' report in English language

With reference to your letter of 29 June 2021 with respect to the above matter regarding

Norse Atlantic ASA **org. no 926 645 986**
Norse Atlantic Airways AS **org. no 926 493 647**

Based on a total evaluation, the view of the tax office is that the mentioned companies may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph. The exemption requires that the information the decision is based on, does not change significantly.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the financial statements. It is incumbent on the companies to document by this letter that the permit is granted.

Background
Norse Atlantic Airways AS is a 100 % owned subsidiary of Norse Atlantic ASA, and they are part of an international group. The companies operates in the airline business. Norse Atlantic Airways AS is the administrative company in the Norse Group, and Norse Atlantic ASA is listed on the Euronext Growth stock exchange in Oslo. The communication internally, communication with the owner and communication in the group is in English.

Condition for the permission
According to the Norwegian Accounting Act § 3-4, third paragraph shall "the directors' report and annual accounts (…) be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language".

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

> "The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors, which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The

information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information."

One of the main goals of the Accounting Act is to contribute to "informative accounts for different users of accounts". The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors' report should be prepared in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information, which has to be taken into consideration when considering the application for permission. In this assessment, the tax office has emphasized that the companies are part of an international group. Furthermore, all key players and partners in this industry understand and use English.

Please state "our reference" (see above) in all written communication with the Norwegian Tax Authorities.

Yours sincerely,

Vibeke Horne
Adviser
Customer Interaction Division, Customer Service
The Norwegian Tax Administration

This document has been electronically approved and therefore has no handwritten signatures.