



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	926 645 986
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	NORSE ATLANTIC ASA
Forretningsadresse:	Fløyveien 14 4838 ARENDAL

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	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, 21.08.2025



Resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Lease income	3	18 805 000	33 090 000
Other revenue	3	12 746 000	
Sum inntekter		31 551 000	33 090 000
Kostnader			
Personnel expenses	4,5	185 000	486 000
Depreciation and amortization	9	16 731 000	23 921 000
Technical maintenance		4 399 000	67 000
Other operating costs		1 601 000	624 000
Marketing and distribution costs		0	12 000
Administrative costs	6	1 899 000	2 235 000
Variable aircraft rentals		5 312 000	18 283 000
Impairment losses	12,15. 1	66 253 000	171 308 000
Sum kostnader		96 380 000	216 936 000
Driftsresultat		-64 829 000	-183 846 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		31 111 000	30 555 000
Other financial income/(expenses)	7	491 000	1 167 000
Sum finansinntekter		31 602 000	31 722 000
Annen rentekostnad		31 029 000	30 362 000
Sum finanskostnader		31 029 000	30 362 000
Netto finans		573 000	1 360 000
Resultat før skattekostnad		-64 256 000	-182 486 000
Income tax	8	3 569 000	4 808 000
Årsresultat		-67 825 000	-187 294 000



Balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Aircraft and other tangible assets	9	53 645 000	151 569 000
Aircraft rotatable inventory	9,16	16 502 000	16 048 000
Other non-current assets	10.16	32 338 000	17 277 000
Lease receivables from subsidiaries	15.16	728 974 000	706 692 000
Intercompany receivables	15.16	3 383 000	9 714 000
Sum immaterielle eiendeler		834 842 000	901 300 000
Finansielle anleggsmidler			
Investering i datterselskap	12	14 000	8 000
Sum finansielle anleggsmidler		14 000	8 000
Sum anleggsmidler		834 856 000	901 308 000
Omløpsmidler			
Varer			
Fordringer			
Trade and other receivables	16	224 000	0
Intercompany receivables	15,16	4 301 000	26 933 000
Other current assets	16	8 505 000	10 024 000
Sum fordringer		13 030 000	36 957 000
Investeringer			
Lease receivables from subsidiaries	15,16	62 600 000	48 339 000
Sum investeringer		62 600 000	48 339 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	2,11,1 6	13 572 000	34 417 000
Sum bankinnskudd, kontanter og lignende		13 572 000	34 417 000
Sum omløpsmidler		89 202 000	119 713 000



Balanse

Beløp i: USD	Note	2024	2023
SUM EIENDELER		924 058 000	1 021 021 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	13	74 596 000	62 954 000
Share premium		200 418 000	197 755 000
Other paid-in capital		588 000	309 000
Sum innskutt egenkapital		275 602 000	261 018 000
Opptjent egenkapital			
Udekket tap		272 470 000	204 644 000
Sum opptjent egenkapital		-272 470 000	-204 644 000
Sum egenkapital		3 132 000	56 374 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Shareholder loan	15,2,1 6	22 056 000	0
Lease liabilities non-current	9,16	776 792 000	850 417 000
Provisions	17	29 882 000	30 642 000
Sum annen langsiktig gjeld		828 730 000	881 059 000
Sum langsiktig gjeld		828 730 000	881 059 000
Kortsiktig gjeld			
Trade and other payables	16	15 727 000	14 746 000
Lease liabilities current	9,16	76 469 000	68 843 000
Sum kortsiktig gjeld		92 196 000	83 589 000
Sum gjeld		920 926 000	964 648 000
SUM EGENKAPITAL OG GJELD		924 058 000	1 021 022 000



Konsernets resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenue	4	588 106 000	439 436 000
Sum inntekter		588 106 000	439 436 000
Kostnader			
Personnel expenses	5,6	131 701 000	99 759 000
Depreciation and amortization	11,12	87 920 000	84 103 000
Fuel, oil and emission costs		183 617 000	152 527 000
Airport charges and handling		94 205 000	67 153 000
Technical maintenance		84 629 000	66 493 000
Other operating costs		47 151 000	33 999 000
Marketing and distribution costs		31 724 000	23 343 000
Administrative costs	7	15 938 000	14 143 000
Variable aircraft rentals		8 239 000	33 139 000
Sum kostnader		685 124 000	574 659 000
Driftsresultat		-97 018 000	-135 223 000
Finansinntekter og finanskostnader			
Other financial income/(expenses)	9	962 000	1 603 000
Sum finansinntekter		962 000	1 603 000
Rentekostnad til foretak i samme konsern	8	39 019 000	34 982 000
Sum finanskostnader		39 019 000	34 982 000
Netto finans		-38 057 000	-33 379 000
Resultat før skattekostnad		-135 075 000	-168 602 000
Income tax	10	379 000	144 000
Årsresultat		-135 454 000	-168 746 000



Konsernets balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Aircraft and other tangible assets	11	824 694 000	898 856 000
Intangible assets	12	2 819 000	3 324 000
Aircraft lease deposits	11,13	16 502 000	16 048 000
Other non-current assets	13,14	32 338 000	17 277 000
Sum immaterielle eiendeler		876 353 000	935 505 000
Sum anleggsmidler		876 353 000	935 505 000
Omløpsmidler			
Varer			
Inventories	16	4 601 000	3 466 000
Sum varer		4 601 000	3 466 000
Fordringer			
Credit card receivables	13	100 245 000	60 214 000
Trade and other receivables	13,15	11 668 000	6 351 000
Other current assets	13,17	15 468 000	22 770 000
Sum fordringer		127 381 000	89 335 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents		22 855 000	54 830 000
Sum bankinnskudd, kontanter og lignende		22 855 000	54 830 000
Sum omløpsmidler		154 837 000	147 631 000
SUM EIENDELER		1 031 190 000	1 083 136 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	19	74 596 000	62 954 000



Konsernets balanse

Beløp i: USD	Note	2024	2023
Share premium		200 418 000	198 065 000
Other paid-in capital		588 000	
Sum innskutt egenkapital		275 602 000	261 019 000
Opptjent egenkapital			
Udekket tap		486 170 000	350 716 000
Sum opptjent egenkapital		-486 170 000	-350 716 000
Sum egenkapital		-210 568 000	-89 697 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Lease liabilities non-current	11,13	826 005 000	902 147 000
Shareholder loan	13,22. 2	22 056 000	
Provisions	21	73 830 000	57 913 000
Sum annen langsiktig gjeld		921 891 000	960 060 000
Sum langsiktig gjeld		921 891 000	960 060 000
Kortsiktig gjeld			
Deferred passenger revenue	13	101 289 000	52 394 000
Trade and other payables	13	138 864 000	88 699 000
Lease liabilities	11,13	79 714 000	71 680 000
Sum kortsiktig gjeld		319 867 000	212 773 000
Sum gjeld		1 241 758 000	1 172 833 000
SUM EGENKAPITAL OG GJELD		1 031 190 000	1 083 136 000

Annual report 2024



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NORSE

Norse Atlantic Airways



Norse Atlantic Airways, founded by CEO and major shareholder Bjørn Tore Larsen in March 2021, is an airline specializing in low-cost, long-haul, direct flights to a range of exciting destinations on the intercontinental market, offering passengers more opportunities and flexibility to explore the world.

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Letter from the CEO

Dear shareholders

In 2024, we at Norse Atlantic took new steps towards building a sustainable and profitable airline, making long haul travel affordable for more people. Into the summer season the fleet in Norse's own operations was scaled up from 10 to 12 aircraft, and together with improved performance of filling the aircraft, Norse experienced significant volume growth throughout the year.

The number of flights went from 4,002 in 2023 to 5,402 in 2024, a growth of 35 per cent. And as load factor went from 74 per cent in 2023, to 84 per cent in 2024, a 10 per cent-points increase, these factors combined took number of passengers up by 49 per cent, from 980 thousand in 2023 to 1.46 million in 2024. And again, our operations team demonstrated their ability to handle large growth as 99.6 per cent of all flights was completed as planned, whereas most interruptions were due to external factors such as adverse weather conditions or third-party operational disturbances.

The summer season was negatively affected by increased transatlantic market capacities, and over the year revenue per passenger came in at USD 375, which was 5 per cent down from 2023. Driven by the volume growth, passenger revenue however saw large growth, increasing by 33 per cent from 2023 to 2024. Cargo revenue increased by 45 per cent from 2023 to 2024, which is above the general capacity increase. The sub-lease income was

down in 2024 as two aircraft were moved from sub-leases to own operations. Following our increased emphasis on charter and ACMI, charter revenue on the other hand increased seven-fold from 2023 to 2024, ending at USD 37 million for the year. All in all, revenue went from USD 439 million in 2023 to USD 588 million in 2024, a 34 per cent increase equalling to USD 149 million uplift of revenue.

Aiming for our low cost being best in class, we saw the year average CASK ex fuel coming down to 4.1 US cents, representing a decrease of 16 per cent compared to the year average of 2023. Norse Atlantic continues its relentless focus on cost into 2025, aiming at bringing these levels further down.

Although improving both operating margins and net margins and seeing intra-year improvements, the Company is still carrying losses, and we initiated major initiatives both to increase revenues and decrease costs to achieve sustainable profitability.



On the commercial side we developed a new approach during the second half of the year, applying science-based methods and data-driven product development facilitated by a new-built tech team. Great results have already been delivered as the fourth quarter load factor came out at 92 per cent, a 22 per cent-age-points improvement from the same quarter the year before. The first months of 2025 have shown that load factor is sticking at high levels spite being in the typically low winter season. We also see that sales and forward load factor build for all quarters of 2025 is trending well above the corresponding numbers of 2024. In 2024 we connected to a light global distribution system (GDS), and we will build further presence on GDS in 2025, allowing for broader distribution of our affordable fares.

After the year-end Norse Atlantic entered into longer-term ACMI contracts with India's largest airline IndiGo for the wet lease of four of our Dreamliners. Such allocation of fleet capacity allows for Norse Atlantic to de-risk the business model as we secure year-round fixed revenue for a sizeable part of the fleet. It also allows for Norse Atlantic to improve profitability of our own scheduled network as focus going forward will be on the routes that has proven most profitable.

Norse Atlantic maintains its relentless focus on reducing cost, both significantly reducing the overheads as well as better aligning crew bases with the network and improving aircraft utilization.

To further support the streamlining of the Company, we made the decision to early redeliver to the head lessor the three 787-8 aircraft having been subleased. The aircraft were redelivered first quarter of 2025, which then comes with a significant accounting gain. The redeliveries leave us with a fully uniform fleet of 787-9 aircraft only, a fleet being more flexible from a commercial perspective, as well as even more efficient from a cost perspective.

Heading into the 2025 summer season the fleet consist of 12 aircraft of which 11 operates mainly in our own scheduled network and one is fully dedicated to IndiGo wet lease. During the fall, number of aircraft servicing our own network will move to eight, whereas number of aircraft at IndiGo wet leases will increase to four. We believe that this represents a good balance between risk and reward of serving our own scheduled network and picking up on other opportunities offered by a market of widebody capacities being at scarce capacity.

We still have lots of work ahead of us, but we love what we do, and we are looking forward to the summer season and continuing our path towards building a profitable and sustainable future of Norse, and as well as continue making transatlantic travel affordable for all!

Welcome aboard!

Sincerely,

Bjørn Tore Larsen
CEO and Founder

Board of Directors' report

Year in review



Norse Atlantic Airways – Annual report 2024

About Norse Atlantic Airways

Norse Atlantic ASA ("Norse") is a public limited company listed on the Euronext Expand Oslo and is a company incorporated under the laws of Norway.

Its registered office is Fløyveien 14, 4838 Arendal, Norway. Norse is an affordable long-haul airline established in 2021 that serves the transatlantic market with modern, fuel-efficient Boeing 787 Dreamliners. Norse's headquarters are located in Arendal, Norway, and has offices in Fort Lauderdale, USA, Paris, France, Riga, Latvia and London Gatwick, UK, as well as an aircraft maintenance competence satellite at Oslo Gardermoen, Norway. Norse holds a Norwegian AOC (Air Operator's Certificate) through Norse Atlantic Airways AS and a UK AOC through Norse Atlantic UK Ltd. The AOC entities are 100 per cent owned by Norse Atlantic ASA. The Company has a branch in France and wholly owned subsidiaries in Norway, Latvia, the UK, and the USA. Norse Atlantic ASA and its subsidiaries combined, in this annual report are commonly referred to as "Norse", "Norse Atlantic Airways", or the "Company".

As of 31 December 2024, Norse holds a fleet of 15 aircraft, of which 12 are 787-9 aircraft under its own operations, as well as three 787-8 aircraft subleased to a third party. The three subleased aircraft were early redelivered to the head lessor during first quarter of 2025 to secure an even more streamlined fleet.



Norse Atlantic Airways – Annual report 2024

Norse commenced its commercial operations in June 2021 with approximately four aircraft in its own operations during the first months of operations, increasing to 10 aircraft from summer 2022 and further up to 12 aircraft from summer 2024. Norse serves a scheduled network across the destinations Orlando, Miami, Las Vegas and Los Angeles in the USA, London, Paris, Rome, Athens, Stockholm and Oslo in Europe, as well as flying from Europe to Cape Town and Bangkok in Asia.

In addition to scheduled flying, Norse provides charter flights for third parties, particularly during the lower winter season. As from the first quarter of 2025, the Company will wet lease aircraft to the Indian airline IndiGo on long-haul contracts, starting out with one aircraft, gradually increasing up to four aircraft during the second half of 2025, securing the Company year-round fixed revenue.

Key figures

(USD million or as stated)	2024	2023
Revenue	588.1	439.4
EBITDAR ¹	(0.9)	(18.0)
Operating profit (EBIT)	(97.0)	(135.2)
Net profit	(135.5)	(168.6)
Net cash flow from operations	55.6	(20.6)
Book equity	(210.6)	(89.7)
Cash and cash equivalents	22.9	54.8

Revenue	EBITDAR ¹	CASK excl. fuel (US cents) ¹
588.1	(0.9)	4.07
439.4	(18.0)	4.87
Number of flights	Load factor	Number of passengers
5,402	84%	1,460,245
4,002	74%	979,913

(USD million or as stated)	2024
Number of flights	5,402
Number of operating destinations at period end	13
Average stage length (km)	6,733
ASK ¹ (millions)	12,323
RPK ¹ (millions)	10,343
Number of passengers	1,460,245
Load factor ¹	84%
Airfare per passenger (USD) ¹	294
Ancillary per passenger (USD) ¹	81
Revenue per passenger (USD) ¹	375
PRASK (US cents) ¹	4.42
TRASK (US cents) ¹	4.77
CASK cash adjusted (US cents) ¹	3.37
CASK excl. fuel (US cents) ¹	4.07
CASK (US cents) ¹	5.56
Number of aircraft in fleet at period end	15
Number of aircraft in operation at period end	12
Number of aircraft subleased out at period end	3

Årsregnskap regnskapsåret 2024 for 926645986

¹ Non-IFRS alternative measures are explained and/or reconciled in the notes to the financial statements

Business highlights

2024 was Norse's second full year of operations, during which the Company scaled up its own operations from 10 to 12 aircraft and introduced new destinations such as Athens, Cape Town and Las Vegas. The Company over the year carried almost one and a half million passengers across 5,400 flights. Compared to 2023, number of passengers were up by 49 per cent and number of flights were up by 35 per cent. Norse's Available Seat Kilometres (ASK) increased by 42 per cent in 2024 compared to the previous year.

The Company recorded an average load factor of 84 per cent in 2024 compared to 74 per cent in 2023. Following improvements in commercial approach, the Company showed strong load factors over the last few months of 2024, resulting in an average load factor of 92 per cent in the fourth quarter of 2024, and with the strong trend continuing into 2025.

The Company's robust operational performance was again demonstrated in 2024 as 99.6 per cent of all scheduled flights were completed as scheduled during another period of substantial growth.

Norse recorded an average Revenue per passenger of USD 375 in 2024, 5 per cent down from USD 393 in 2023, following there being overcapacities and pressure on prices in the transatlantic market during parts of the year. In 2024, Norse achieved an ancillary

revenue exclusive of bundles of USD 81 per passenger, compared to USD 84 per passenger in 2023, still maintaining its relatively strong position on ancillary revenue compared to that of peers.

Cost per ASK (CASK) ex. fuel was reduced by approximately 16 per cent from 2023 to 2024, coming in at US cents 4.07 compared to US cents 4.87 in 2023. The improved CASK mainly comes from Norse building further scale to its operations.

In a market characterized by scarce widebody capacities, Norse has experienced increasing demand for charter and ACMI. Norse has taken opportunities from this, especially during the traditional seasonal lows, and completed 608 charter and ACMI flights in 2024 compared to 71 flights in 2023. In 2023 charter and ACMI represented 2 per cent of Norse's production, whereas this increased to 11 per cent in 2024. Charter and ACMI contributed with revenue of USD 37 million in 2024, with the two main customers being the cruise lines P&O Cruises and the Italian airline Neos.

Norse completed a repair offering of shares on 2 February 2024, raising new equity capital of USD 5.8 million. On 6 December 2024, Norse raised equity capital of another net USD 8.5 million through a private placement directed towards major shareholder BT Larsen & Co Limited. Total additional equity capital raised during 2024 was net USD 14.3 million. To further strengthen the financial position of the Company, the Board of Directors on 12 April 2024 decided to accept a shareholder loan offered by the two largest shareholders BT Larsen & Co Limited and Scorpio

Holdings Limited in the total amount of USD 20 million with final maturity date later set at 31 March 2026. Furthermore, the Board of Directors on 29 November 2024 decided to offer an additional shareholder loan offered by major shareholder BT Larsen & Co Limited in the amount of USD 6.3 million with maturity date of 31 December 2025. The latter loan is undrawn as per 31 December 2024.

On 28 August, Norse announced that it in principle had entered into terms with one of its head lessors for early redelivery of 787-8 aircraft at favourable terms. These aircraft have been subleased to an external third party since they were delivered to Norse, had relatively short remaining lease terms and carried a different configuration than the rest of the fleet. Of the 787-8 aircraft, 12 aircraft would leave Norse with a uniform, flexible and efficient 12 aircraft fleet of 787-9 aircraft only. The three aircraft were redelivered during the first quarter of 2025, with a significant accounting gain.

In February 2025, after the year-end, Norse entered into a term ACMI contracts with India's largest airline IndiGo for the lease of four of our Dreamliners, one aircraft already contracted for March 2025, and additional three aircraft expected to be contracted in second half of 2025, post having contributed to the program of Norse's own scheduled network. Norse aims at allocation of capacity to de-risk the business model by year-round fixed revenue for a significant part of the

Business and strategy

Norse's vision is to be "The Explorer's Airline." Inspired by the Norsemen and Norsewomen who travelled and explored the world with their state-of-the-art longships, Norse Atlantic enables people the opportunity to explore other continents by offering affordable flights onboard modern and fuel-efficient Boeing 787 Dreamliners. The Group's strengths and strategy is focused on giving customers value, the Norse culture, and the Company's low cost base.

The Company provides two main passenger services by providing an affordable scheduled carrier service as well as providing charter and ACMI services to third parties. Norse is a point-to-point low-cost long-haul carrier, with a demand driven approach focusing on both leisure and smart business travellers who value an affordable, high-quality product. Norse mainly focuses on thick, profitable transatlantic routes where there is high passenger demand.

Norse does charter and ACMI (Aircraft, Crew, Maintenance and Insurance) charters for third parties, firstly with a focus on providing such services at times when demand for scheduled traffic is lower on the routes Norse services. Now Norse has taken it a step further, allocating one third of its fleet's capacity to wet leases with the Indian airline IndiGo, securing a base of year-round fixed revenue. During the low season Norse may allocate further capacity to charter and ACMI on shorter-term and ad-hoc basis.

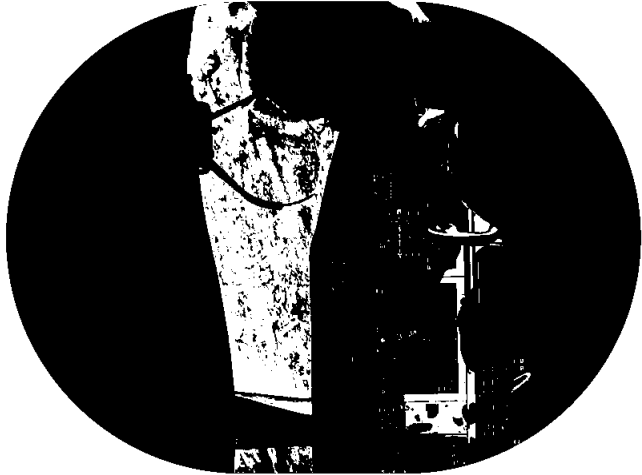
Norse Atlantic Airways – Annual report 2024

Norse is able to offer affordable tickets due to its low cost base, including having secured one of the most fuel- and cost-efficient aircraft, the Boeing 787 Dreamliner at attractive and historically low lease rates. Lease contracts are for long durations up until 2038 for the longest contracts, and under fixed lease rates with no inflationary or other price adjustment features. Still being a young airline enables Norse an unprecedented opportunity to establish a best-practice and cost-efficient airline without prior financial restraints.

The Group's pricing strategy focuses on providing an unbundled affordable entry level fare and charging either as a bundle for a set fee or as additional items priced individually, allowing the customer to choose what they pay for. The Company offers cost-conscious business travellers, as well as premium leisure customers, a Premium product. Norse Premium Class includes upgraded meal options, priority check-in and boarding, on-board amenities like pillows and blankets, and seats with an industry-leading 43-inch pitch. Norse Premium Class aims to offer customers superior value compared to competing business class products, by offering an equivalent travel experience at an attractive price point.



Industry and market overview



Market introduction

The long-distance market¹ is estimated to constitute more than 90 per cent of the total airline market, according to statistics represented in Boeing's June 2023 market update². The long-distance market has increased 5.1 per cent per year (compounded) over a 25-year period until 2019 (pre-COVID).

Air travel continues to experience steady growth, and despite the lingering effects of the pandemic, actual demand aligns closely with pre-COVID estimates according to Boeing Analysis (2024)³. Overall, macroeconomic fundamentals remain favourable for sustained growth, with GDP rising, inflation slowing, and interest rates declining. As such, travel remains a priority for consumers according to Boeing (2024), with a significant portion of passengers planning to travel more frequently and for longer durations than before the pandemic.

Aviation plays a critical role as an enabler in an increasingly interconnected world. The global airline network has doubled since 2004, and remains highly competitive, where 90 per cent of routes are served by multiple airlines. By helping to keep air travel affordable airlines collectively have delivered a stable global passenger yield over the past 20 years, even as global consumer prices have nearly doubled in the same period. The affordability of tickets can largely be attributed to improved fleet efficiency, driven by advancements in technology, and more fuel-efficient aircraft. Allowing for enhanced productivity and improved regulatory. In total, airlines have been able to optimize load factors, further contributing to cost-effective ticket pricing.

Opportunities

The Company has leased out five and since three aircraft to an airline since 2022, first for an initial period of 18 months with scheduled extensions/renewals. This allowed the Company to phase in the of 15 aircraft gradually and generate revenue from all aircraft over ramp-up period. During 2024 the Company reviewed the strategic conclusion that the market, known as ACMI operation, carriers' tive benefits in form of lower risk and earnings potential, and the extended this. Meanwhile, the Company also capitalized on the leases by agreeing commercial terms for returning them to the company against a cash consideration to the Company². The th were executed for redelivery first quarter of 2025. Upon completion Company has 12 aircraft partly operated on its own scheduled well as through charters and ACMI. Pursuant to the In-Go agreement Company has phased in one aircraft on a longer-term ACMI contract 2025, with an additional three aircraft expected to be added to the term contract from the second half of 2025. From Q3 2025 and the Company expects to have a third of its operated capacity in charter contracts, whereas the remainder of the capacity will be to its own scheduled network. Norse Atlantic is well positioned with significant higher utilization of aircraft and production capacity addressing the known growth in demand and capacity between Europe. Furthermore, Norse Atlantic increased capacity between and Asia, and continue resilient connection between X and S

¹ Flights that are longer than 500 miles

(approximately 800 kilometres).

² Source: Boeing, Commercial Market Outlook, 15 June 2023

³ Source: Boeing, Commercial Market Outlook, 16 July 2024

Competitive situation

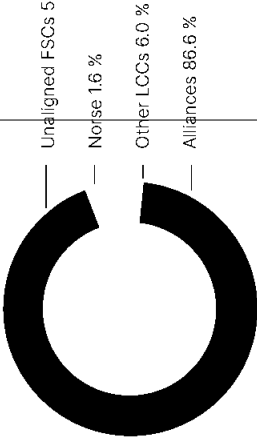
The transatlantic market is dominated by three large airline alliances – SkyTeam, Oneworld, and Star Alliance – who by 2024 have 86.6 per cent market share, up from 80.7 per cent pre-Covid (see chart 1, below) In 2024, 7.6 per cent of the market was provided by Low-Cost Carriers (“LCC”), of which Norse Atlantic has a share of 1.6 per cent. Norse Atlantic has proven its existence by capitalize on the void left behind in low-cost operator presence when the main LCC operator left the market in 2020. The 2024 return of LCC market share demonstrate the demand for such service to the markets, even with a stronger consortium of Alliance offerings.

Norse operates in markets that are either operated solely by full-service operators or markets where low-cost presence already exists. However, in both types of markets, Norse is able to co-exist next to full-service and low-cost operators alike. This is demonstrated in four (out of five) of Norse Atlantic’s New York routes from Europe, all of which have significantly grown in available seat capacity between Summer 2019 and Summer 2024. Even though these routes saw substantial growth in figures and a large number of competitors, Norse was able to generate strong traffic on its routes and establish its position in the market. This is reinforced by the fact that Norse has been able to achieve origin

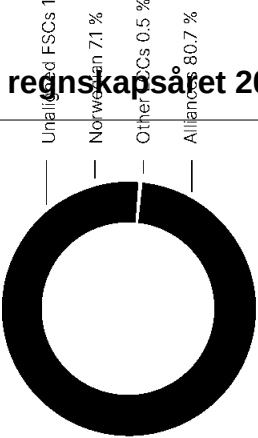
and destination (O&D) passenger market shares between 10 per cent and 20 per cent on the majority of its transatlantic routes in the first full summer season of operations. These passenger shares have outpaced Norse’s seat capacity shares on all transatlantic routes. Demand for several of these routes is believed to have been stimulated by the entry of Norse’s low-cost business model and captured from other carriers through the attractive price point.

Looking specifically at airport-level competition, Norse Atlantic faces head-to-head competition on some of its transatlantic routes, while several routes are operated solely by Norse. For example, of the seven routes operated from London Gatwick, the Group operated four routes without any head-to-head competition. As presented in the charts, routes where Norse competes directly with other carriers have various degrees of competition. The head-to-head competition trend has remained relatively similar compared to the competition levels prior to the COVID-19 pandemic, with some exceptions, mainly in the London market due to Virgin Atlantic’s network shift to London Heathrow.

Passenger market shares in 2024



Passenger market shares in 2019



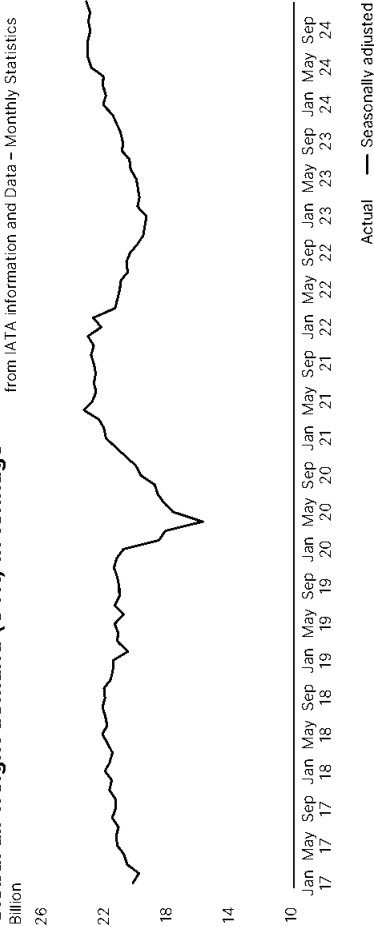
Market segment cargo

Cargo 2024 global market development

The global demand increased during 2024, rising 6.1 per cent year-over-year (YoY), marking 17 consecutive months of growth. The full year 2024 saw industry-wide demand (CTK) surpass 2023 levels by 11.3 per cent, setting a new record by exceeding 2021's volumes. The Asia-North America trade lane, the largest in cargo volume, saw an 8 per cent annual rise in cargo demand. All regions and trade lanes saw growth averaging over 5 per cent for the full 2024. Global air cargo capacity, measured in Available Cargo Tonne-Kilometres (ACTK), increased by 7.4 per cent compared to 2023.

Global air freight demand (CTK) in tonnage

Source: IATA Sustainability and Economics using data from IATA information and Data – Monthly Statistics



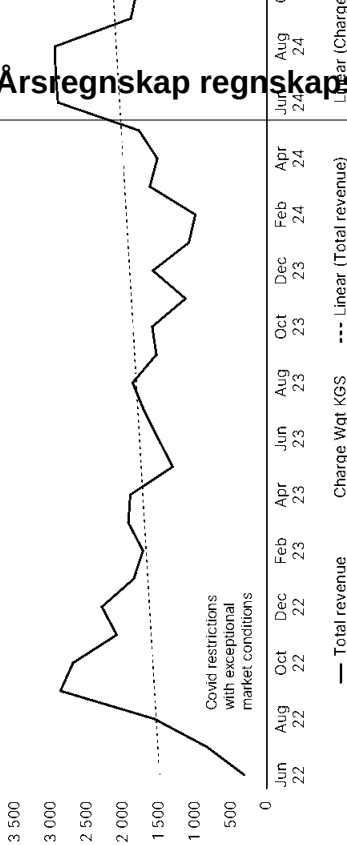
The E-commerce demand continues to push yields up in Asia during 2024, resulting in relocation of freighter capacities into this region. The yield development between Europe and North America (the biggest area/capacity share for Norse) continues to be under pressure due to the imbalance demand vs capacity. This has resulted in a decrease of freighter capacities on this sector during 2024.

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Norse cargo 2024 performance

Norse Cargo contribution developed positively during 2024, the second full year of operation for Norse. We increased the flown air cargo tonnage by ca 48 per cent (to ca 26,5 thousand tonnes) while the yield dropped 16 per cent vs 2023. The graphics below illustrate Norse cargo performance since June 2022 and up to year-end 2024:

Cargo performance since June 2022 (in thousands of USD)



UK represents the biggest area of flown cargo tonnages with ca 36 per cent during 2024. Italy, Norway and France with all together ca 34 per cent of the flown air freight tonnage.

Cargo 2025 market outlook

Different sources confirm a cautious optimism in regard to demand growth of ca 4-6 per cent in 2025, which remains tempered by its susceptibility to geopolitical tensions, a subdued manufacturing outlook, and political interventions in an increasingly volatile world. The continued geopolitical tensions, threats of US tariffs, tightened measures of de minimis threshold related to e-commerce, increased security risks from rising global tension, extreme weather and natural disasters pose many uncertainties for this year's global air cargo demand and supply chain. While the threat of further US East Coast port strikes seems to have now been removed, any further disruptions to global ocean freight is likely to see shippers resorting to the predictability of air freight for urgent shipments, triggering further spikes in air cargo rates. October's three-day strike at US ports produced a +12 per cent jump in air cargo volumes month-on-month from Europe to the US.

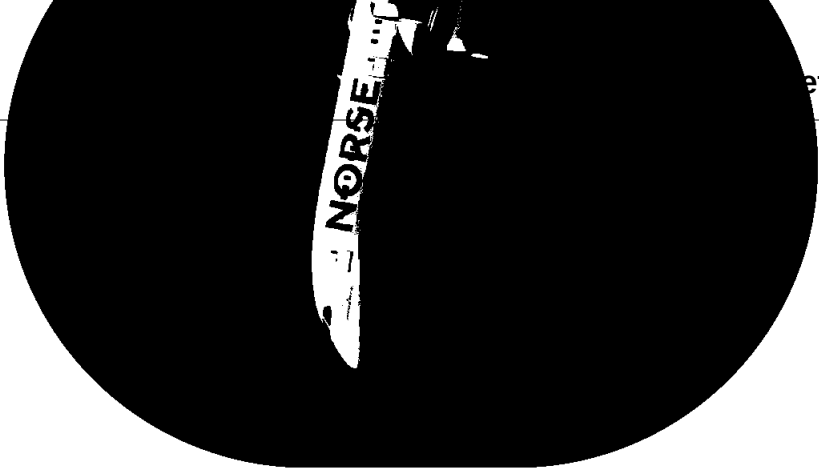
Market segment charter/ACMI

The charter/ACMI market (Aircraft, Crew, Maintenance & Insurance) is continuing to grow. Increased global demand for air travel, economic upswing and the expansion of regional middle-class demographics. In addition, many operators are experiencing long delays for ordered aircraft and engines. Several airlines have approached Norse requesting to wet lease our aircraft and we expect this to continue for the next few years due to the lack of imminent capacity.

The charter and ACMI market saw a significant growth during the winter season 2024/2025 – across the whole world. During 2024 Norse have been flying to all of the world's seven continents. Asia, Africa, North America and Europe is part of our regular schedule flights and then South America, Antarctica and Australia for external customers. From November 2024 to the end of March 2025 Norse operated close to 700 Charter/ACMI flights compared to around 100 the same period one year earlier.

In addition to short term ACMI contracts and ad-hoc charter flights, Norse has entered into a longer-term agreement with the Indian airline IndiGo for the wet lease of four aircraft, one aircraft commencing March 2025, and the remaining three commencing second half of 2025. The four aircraft will mainly be operated from Europe to India.

Going forward, we foresee Norse to engage less in ad-hoc 'ambulance' charter/ACMI for the benefit of focusing short- and long-term agreements with established airlines and tour operators.



Financial review

Consolidated statement of cash flow

The Company's net decrease in cash and cash equivalents during the year ended 31 December 2024 (the "Period") was USD 32.0 million (USD 14.9 million in 2023), driven by net cash inflow from operations of USD 55.7 million (outflow of USD 20.6 million in 2023), a net cash outflow to investing activities of USD 24.4 million (USD 7.3 million in 2023) and cash outflow of USD 60.7 million (inflow USD 1.9 million in 2023) to financing activities. Cash flow from financing activities include net proceeds of USD 14.3 million from share issue during the Period (USD 68.2 million in 2023). The Company's cash and cash equivalents as at 31 December 2024 was USD 22.9 million, including USD 13.2 million of restricted cash (USD 54.8 million as at 31 December 2023, including USD 15.5 million of restricted cash).

Consolidated statement of financial position

As at 31 December 2024, Norse had gross assets of USD 1,031 million (USD 1,083 million at 31 December 2023), consisting of non-current assets of USD 876.4 million (USD 935.5 million at 31 December 2023) and current assets of USD 154.8 million (USD 147.6 million at 31 December 2023). Current assets consist mainly of USD 111.9 million of receivables (USD 66.6 million at 31 December 2023) and USD 22.9 million of cash and cash equivalents (USD 54.8 million at 31 December 2023). Non-current assets consist mainly of right-of-use assets related to aircraft and associated maintenance assets carrying value of USD 849.5

million (USD 908.9 million at 31 December 2023). Lease liabilities, mainly being aircraft and related assets were USD 905.7 million (USD 973.8 million at 31 December 2023). Other non-current assets, totalling USD 26.8 million, consist of aircraft lease deposits, capitalized software development, and other property plant and equipment (total of USD 26.7 million at 31 December 2023). The Company's total liabilities were USD 1,241.8 million at 31 December (USD 1,172.8 million at 31 December 2023), of which non-current liabilities were USD 921.9 million (USD 960.1 million at 31 December 2023), consisting of USD 826.0 million (USD 902.1 million at 31 December 2023) in lease liabilities, USD 22.1 million of shareholder loan (nil at 31 December 2023) and USD 73.8 million (USD 57.9 million at 31 December 2023) in provisions. The lease liabilities relate to 15 aircraft leased in by the Company and the provisions mainly consist of estimated redelivery costs for the aircraft at the end of the respective lease periods and future periodic maintenance costs. The Company had total current liabilities of USD 319.9 million (USD 212.8 million at 31 December 2023), of which USD 138.9 million were trade and other payables (USD 88.7 million at 31 December 2023), USD 101.3 million were towards the Company's liability for tickets sold but not flown (USD 52.4 million at 31 December 2023) and USD 79.7 million was for the current portion of lease liabilities (USD 71.7 million at 31 December 2023). At the end of the Period, the Company's current assets were lower than its current liabilities by USD 165.0 million (USD 65.1 million as at 31 December 2023). The Company's book equity was

negative USD 210.6 million as at 31 December 2024 (USD 89.7 million as at 31 December 2023).

Consolidated statement of comprehensive

During the Period, the Company recorded a total operating revenue of USD 588.1 million (USD 439.4 million in 2023) consisting of USD 503.4 million in revenues from passenger (USD 379.2 million in 2023), USD 18.8 million from cargo (USD 33.1 million in 2023), USD 20.7 million from charter (USD 5.1 million in 2023) and USD 8.0 million from other sources. Aircraft revenue was USD 294 per passenger (USD 309 in 2023) and ancillary revenue was USD 81 per passenger (USD 84 in 2023). An aggregate of USD 375 per passenger (USD 393 in 2023). Total revenue from ticket sold were USD 395.2 million (USD 295.8 million in 2023) and total ancillary passenger revenue were USD 108 (USD 81.4 million in 2023).

The Company's operating expenses excluding depreciation and aircraft leases during the Period totalled USD 457.4 million in 2023), consisting of USD 320 million in personnel expenses (USD 99.8 million in 2023), USD 100 million in aircraft operating costs (USD 320 million in 2023), USD 47.7 million (USD 37.5 million in 2023) in market research and administrative costs. Variable aircraft lease

16	Year in review Financial review	Contents →				Year in review	Sustainability statement	Corporate governance	Financial
	were USD 8.2 million (USD 33.1 million in 2023), which is the amount the Company paid in cash for power-by-the-hour aircraft lease costs. Norse recognized USD 87.9 million of depreciation and amortization during the Period (USD 84.1 million in 2023), of which USD 85.5 million related to amortization of the aircraft right-to-use assets (USD 82.5 million in 2023). Net financial expense for the Period was USD 38.1 million (USD 33.4 million in 2023), including USD 36.1 million in lease accounting interest cost (USD 34.7 million in 2023). The Company recorded a net loss for the Period of USD 135.5 million (USD 168.7 million in 2023), of which USD 23.8 million related to non-cash lease accounting costs (USD 59.7 million in 2023). The Board of Directors propose that the net loss is transferred to accumulated losses.								
	Parent company's unconsolidated financial statements Norse Atlantic ASA (the "Parent") is a holding company and the parent company of the Norse Atlantic Airways group of companies ("Norse") comprising Norse Atlantic ASA and its underlying subsidiaries. In addition to owning the subsidiaries, the Parent has entered into aircraft leases with external lessors and has subleased the aircraft to its subsidiaries and third-party customers. During the Period, the Parent's net cash outflow to operating activities was USD 11.5 million (inflow of USD 29.3 million in 2023), including USD 29.4 million in negative working capital movement (positive USD 14.5 million working capital movements in 2023). Net cash inflow from investing activities was USD 26.5								
	million (outflow of USD 69.0 million in 2023) which also includes inflows from loans to subsidiaries of USD 44.7 million (outflow of USD 35.7 million in 2023). During 2024 the Parent raised net proceeds of USD 14.3 million in additional share capital (net proceeds of USD 68.5 million in 2023), which has been used to finance the Parent and its subsidiaries. Net cash outflow to financing activities for the Period was USD 33.7 million (inflow of USD 33.5 million in 2025), after lease instalments of USD 66.2 million (USD 26.6 million in 2023) and net paid interest of USD 4.0 million (net received USD 2.1 million in 2023). Cash and cash equivalent at the end of the Period was USD 13.6 million (USD 34.4 million at yearend 2023), including USD 13.2 million (USD 15.5 million in 2023) held in restricted bank accounts. Gross assets of the Parent as at 31 December 2024 were USD 924.1 million (USD 1,021.0 million at 31 December 2023). Non-current assets were USD 834.9 million (USD 901.3 million at 31 December 2023), consisting of USD 732.4 million in non-current receivables from subsidiaries (USD 716.4 million at 31 December 2023), USD 53.6 million in aircraft and other tangible assets (USD 151.6 million at 31 December 2023), USD 14 thousand in investments in subsidiaries (USD 8 thousand at 31 December 2023) and USD 48.8 million in other non-current assets (USD 33.3 million at 31 December 2023). USD 729.0 million of non-current receivable from subsidiaries are related to the 12 aircraft (10 in 2023) that are subleased to the subsidiaries (USD 706.7 million at 31 December 2023).								
	The Parent's book equity value was USD 3.1 million at 31 December 2024 (USD 56.4 million at 31 December 2023) while total liabilities were USD 920.9 million (USD 960.8 million at 31 December 2023). Non-current liabilities were USD 881.1 million at 31 December 2023), compared to USD 776.8 million in aircraft lease liabilities (USD 850.3 million at 31 December 2023) and a provision of USD 29.9 million (USD 33.5 million in 2023) that represents the estimated redelivery costs for the aircraft at the end of the respective leases. The Parent had current liabilities of USD 92.2 million (USD 83.6 million at 31 December 2023), of which USD 14.7 million were trade and other payables (USD 14.7 million at 31 December 2023) and USD 76.5 million being lease liabilities payable within one year from the end of the Period (USD 67.9 million at 31 December 2023). The Parent's total revenue for the Period was USD 3,100.3 million (USD 3,100.3 million in 2023), hereof USD 18.8 million from subleasing aircraft to a third party (USD 33.1 million in 2023) and USD 3,081.5 million from operations of subsidiaries (nil in 2023). Parent recorded an operating loss of USD 109.8 million (USD 109.8 million in 2023), after recognizing impairment losses of USD 171.3 million in 2023). Net loss for the Period was USD 67.8 million (USD 187.3 million in 2023). The Board of Directors propose that the net loss is transferred to accumulated losses.								

Arnsregnskap regnskap 2024 for 9266459

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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 annual 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 210.6 million.

The Company's total cash position as at 31 December 2024 is USD 22.9 million.

For Norse's equity situation, the existence of value in the off-balance sheet assets, particularly related to the significant fair value of the aircraft lease contracts, and more, imply that the real equity could be higher than the book equity.

The Company has been through a process of shaping a strategic reorientation for the Company. 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

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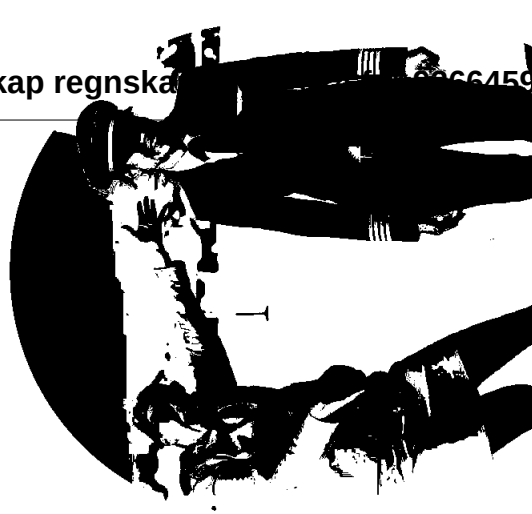
network, in turn allowing for the Company focusing its most profitable routes. The revised business plan implies generation of year-round fixed revenue and cash flows, and a de-risking of the business model.

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 18 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

The Board of Directors has previously concluded that the Company's current business model would require a substantial increase in capital to maintain the Company's position of being a leading provider of the Company's financial position and therefore decided to raise additional capital to secure more capital to the Company. In December 2014, the Company completed a direct private placement of 15 million shares of common stock, which was completed by CEE Asset Management Ltd. ("CEE Asset"), a wholly owned subsidiary of BT Larsen & Co Limited, an affiliate of BT Larsen & Co Limited. The Company's shareholding structure is as follows:





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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 the Company 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 is still undrawn as per 29 April 2025. Further to this, it was agreed that the existing revolving credit facility with the two major shareholders BT Larsen & Co Limited and Scorpio Holdings Limited, should have its final maturity date extended to 31 March 2026.

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, the outcome of a downpayment plan to be established with the US IRS for the overdue US passenger taxes, as well as general operational risks. On the other hand, there is upside potential on the commercial and financial performance of the Company's own scheduled network, whereas pre-sales on routes out for sale is trending well above the pre-sales realized at the same time the previous year.

Based on knowledge of the business plan established by the Company, in the Board of Directors' opinion, there is a viable plan for the Company to be able to generate a positive cash flow. 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 Company's financial statements, depending on the specific circumstances, should not serve as basis for the Company's financial statements, some assets of the Company's may carry values lower than the values at which they are presented in these financial

Financial risk

Overview

As of 31 December 2024, the Company carries interest-bearing liabilities in the form lease liabilities and shareholder loan. As at the yearend, the Company's principal financial assets are its cash deposits held with the banks. The Company's primary financial risks relate to market risk, credit risk and liquidity risk.

The table below shows the carrying value of Norse's financial assets and liabilities.

Financial assets

(in thousands of USD)

	31 Dec 2024
Aircraft lease deposits	16,502
Other non-current assets: Maintenance reserve payments	32,338
Credit card receivables	100,245
Other receivables	11,668
Other current assets: Deposits	3,607
Other current assets: Prepayments	11,861
Cash and cash equivalents	22,855
Total financial assets at amortised cost	199,076

Financial liabilities

(in thousands of USD)

	31 Dec 2024
Shareholder loan	22,056
Lease liabilities non-current	26,005
Deferred passenger revenue	51,289
Trade and other payables	38,864
Lease liabilities current	9,714
Total financial liabilities at amortised cost	1,17,929
Total net financial liabilities at amortised cost	98,852

Foreign currency risk

The Company has exposure to the risk of changes in foreign exchange rates related to its cash and cash equivalents held in foreign currencies. As at 31 December 2024 15 per cent of the Company's cash and cash equivalents are held in foreign currencies. The following table represents the Company's cash balance's exposure to foreign currencies:

(in thousands of equivalent USD)	31 Dec 2024	31 Dec 2023
Cash and cash equivalents held in foreign currencies		
NOK	1,542	12,423
GBP	1,462	2,579
EUR	475	2,901
THB	36	13
Total Cash and cash equivalents held in foreign currencies	3,515	17,915
Cash and cash equivalents held in USD	19,339	36,915

There is also foreign exchange rate risk present in the current line items 'Credit card receivables', 'Deferred passenger revenue' and 'Trade and other payables'.

Around 70 per cent of the Company's passenger revenues are denominated in USD, and all cargo revenue and aircraft lease revenues including charter/ACMI 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 and personnel costs are denominated in a mixture of USD, GBP, EUR and NOK, depending on the location of the operation. The Company has a somewhat similar revenue-to-cost ratio in the four main currencies of USD, GBP, EUR and NOK. Currently, the Company has not entered into any currency risk hedging arrangements outside of the natural hedges being inherent in the assets, liabilities and cash flows of the business activities.

The following table shows the impact on the Company's profit or loss as at 31 December 2024 +/- 10 per cent change in foreign exchange rates of the currencies representing the largest exposure to foreign exchange rate risk:

(in thousands of USD)	NOK	GBP
Effect on profit and loss of FX rate +10%	1,068	(1,222)
Effect on profit and loss of FX rate -10%	(1,068)	1,222

Interest rate risk

The Company has limited exposure to changes in interest rate as it does not have any external interest-bearing debt other than that following from leases carrying fixed interest rates. The Company is exposed to interest rate risk on cash held at bank. The Company does not currently hedge interest risk. The following table presents the estimated effect on profit or loss from one percentage point change in interest rates:

(in thousands of USD)
Effect on profit and loss of interest rate +1%
Effect on profit and loss of interest rate -1%

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)					Total
	Within 6 months	6-12 months	1-2 years	3-5 years	More than 5 years	
Aircraft lease payments	50,220	50,220	100,440	200,880	611,255	1,013,015
Other lease payments	4,017	4,017	7,996	16,017	49,925	81,973
Total of lease liabilities	54,237	54,237	108,436	216,897	661,180	1,094,988
Shareholder loan	-	-	26,316	-	-	26,316
Deferred passenger revenue	26,335	74,954	-	-	-	101,289
Trade and other payables	138,864	-	-	-	-	138,864
Total as at 31-Dec-2024	219,437	129,191	134,752	216,897	661,180	1,361,457

2023

2023	(in thousands of USD)					Total
	Within 6 months	6-12 months	1-2 years	3-5 years	More than 5 years	
Aircraft lease payments	42,644	49,220	100,440	200,880	711,885	1,104,869
Other lease payments	4,008	4,059	7,907	15,723	57,485	89,182
Total of lease liabilities	46,652	53,279	108,347	216,603	769,170	1,194,051
Deferred passenger revenue	52,394	-	-	-	-	52,394
Trade and other payables	88,699	-	-	-	-	88,699
Total as at 31-Dec-2023	187,745	53,279	108,347	216,603	769,170	1,335,144

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Credit risk

Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in a loss to the Company. The Company is exposed to credit risk primarily from cash held at bank, aircraft lease deposits, as well as credit exposure to commercial customers/credit card in the Company manages its counterparty risk relating to cash held at bank by only holding at reputable international banks and financial institutions. The risk arising from receivables card companies are monitored closely. The Company manages its counterparty risk relating to lease deposits by entering leases with internationally renowned aircraft lessors. At 31 December 2024, the Company had deposits with AerCap Holdings NV and BOC Aviation Ltd. The Company at the end of the Period consists of 15 aircraft, of which three were 787-8 aircraft sub-leased party lessee. Sublease agreements have and will be entered into on standard market terms. The credit risk, the lessee has paid a deposit equivalent to one month's rent per aircraft. The subleased aircraft by the end of the Period were agreed to be early redelivered to the head streamlining the fleet of the Company into 787-9 aircraft only. The three aircraft were head lessor during the first quarter of 2025.

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 mainly has been financed by equity and lease liabilities following from lease agreements, and in 2024 also has established a shareholder loan in the nominal amount of USD 20 million v largest shareholders.

Fuel risk

One of the Company's most material variable costs is, and will continue to be, aviation fuel. The Company's financial performance will be materially affected by fluctuations in the price of such fuel. Both the cost and availability of aviation fuel are subject to economic and political factors beyond the Company's control. Any increase in the price of aviation fuel will have a material impact on the Company's profitability. Norse does not currently have any fuel hedging arrangements in place and thus is fully exposed to fluctuations in the aviation fuel prices. Norse makes a

22	Year in review Financial risk	Contents	→	Year in review	Sustainability statement	Corporate governance	Financial	Artsregnskap regnskapsåret 2024 for 926645986
evaluation as to whether entering into such fuel hedging arrangements is beneficial. Any such hedging arrangements may develop to prove commercially unattractive due to the later development of fuel prices and/or currency exchange rates and may have a material negative impact on the Company and its prospects. The military invasion of Ukraine in February 2022 and the war between Israel and Hamas on Gaza are among events that have caused increased volatility in aviation fuel prices and the energy markets. The Group has had increased aviation fuel costs, where the jet fuel price has materially increased compared to the price at Company's establishment in 2021. There is significant uncertainty regarding how the price of oil and gas and other commodities will develop in the short and long term, which in turn may affect, directly or indirectly, the fuel price, and the Group's business, financial condition, results of operations, cash flows and prospects may be impacted adversely. As the Company currently does not hedge its fuel price risk, fuel risk in principle is an operational risk and does not constitute a financial risk per se.			For assets of the Company being subject to climate risk, the material risk sits with the aircraft of-use assets. Such assets in the future potentially can become more expensive to operate times of increased emission costs, and they can become less competitive as alternative emission-free technology may develop. Such risks may have the consequence of assets in value, or in the very long run becoming completely obsolete. However, as for now, the Boeing 787 Dreamliners constitutes the best technology available in terms of carbon emissions, which constitutes a competitive advantage relative to other airlines, and also implies Company's assets hold a relatively high resistance towards obsolescence. If the assets in term potentially should become fully impaired and obsolete, the ultimate risk of this does the Company, as the assets are leased and will be returned to the lessor by the end of the lease term.					
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 transponse 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.			Technical and operational risk Norse furthermore is subject to risks related to technical and operational matters. Being a company in the aviation industry implies the Company in general being subject to a wide set of laws and regulations. Compliance with all such requirements is a prerequisite for the operations of the Company. Operating technically highly advanced aircraft without any unplanned disruption 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 are further exposed to potential risks such as strikes, accidents, adverse weather conditions, change in card settlement terms, interruptions in IT systems and more.					

People and organization

Sustainability statement

As from the reporting period 2024 Norse is in scope of reporting under the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) such as issued by the European Financial Reporting Advisory Group (EFRAG). Norse's first report under CSRD is presented under a separate Sustainability statement section of this Board of Directors' report. Further to that presented below please refer to that section for further information and datapoints on employees and other social aspects of the business.

Norse culture

Norse believes that our Company culture is a critical success factor of our success. Norse is developing a great team of passionate people who work together to deliver the best experience to our customers. The Company emphasizes a fruitful employer-employee relationship and has engaged in entering agreements with the unions represented with the Company. The Norse values – Inclusiveness, Ownership and Kindness – have been created by the Norse employees for the Norse employees and continue to be the core to our operations and decision making.

Equality and non-discrimination

Norse operates in an international business and working environment and do believe in fostering a culture of diversity and inclusion – we see the build of a global mindset as the best support to the build of a global business. Norse follows applicable laws and regulations in the field of equality and non-discrimination but has not yet adopted any formal policies on such matters. Norse do believe in leading by example, and whereas as equality and non-discrimination is an inherent in the culture and business practices.

The Company aims to provide a workplace with equal opportunities and to prevent discrimination on any basis. 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. Norse's workforce is in fact well diversified in terms of geographic origin, gender and ethnicity.

Gender equality

Out of Norse's total number of employees as of 31 December 2024, 59 per cent are male and 41 per cent are female (compared to 58 per cent respectively 42 per cent 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 per cent of management personnel, 56 per cent for pilots, 98 per cent cabin crew and 92 per cent for other personnel. It should be noted that wage differences arise from there being several each of the above group of employees, and the gender representation at each level differs. The majority of our groups' salary levels are defined by CBA agreements that apply to all airborne personnel, technical and maintenance staff. Operational office staff. Equal work is always equally valued.

D&O insurance

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

Working environment

In 2024 there was a total sickness leave of 0.2% out of working days during the Period. The Company focuses on improvement of processes and culture on reporting of Health and Environment (HSE) incidents. Among incidents reported in 2024, there were reported nine incidents that led to minor injuries which none were severe. Most often it was cabin crew exposed to the incidents, leading to minor injuries to the back.



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Corporate social responsibility

Sustainability statement

As from the reporting period 2024 Norse is in scope of reporting under the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) such as issued by the European Financial Reporting Advisory Group (EFRAG). Norse's first report under CSRD is presented under a separate Sustainability statement section of this Board of Directors' report. Please refer to this section for further information on Norse's work on corporate social responsibility.

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. The Company will publish an updated statement no later than 30 June 2025.

Corporate governance

Norse's governance systems are based on principles the Norwegian Code of Practice for Corporate Governance issued by The Norwegian Corporate Governance Board. The corporate statement of policies on corporate governance is included in this Annual Report. Please refer to the corporate governance section of this Annual Report for information.

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 fleet and also aiming to increase crew utilization for the remainder of the year. Cost improvements are already on track for the Company during the quarter established new off from our Arendal offices, leaving the Company with significant cost improvements. Efforts are also ongoing to secure from better optimization of crew bases and crew resources. The Company will continue its focus on reducing costs to being instrumental under the ambition of achieving a cost per unit in the Transatlantic market

The Company has been working on improving market sales, and pre-sales on routes out for sale will continue to be well above the pre-sales realized at the same time the year.

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Chapter 1

ESRS 2 General disclosures

1.1 Basis for preparation

This sustainability statement has been prepared in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as issued by the European Financial Reporting Advisory Group (EFRAG).

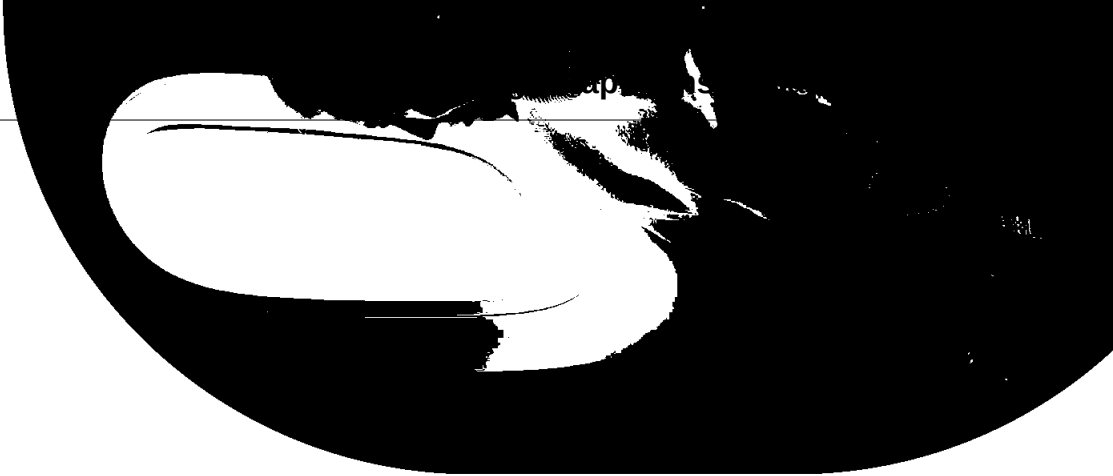
In addition, information and data points following from other EU legislation is presented. A table of all these datapoints are presented in this chapter's sections 1.8 and 1.9, indicating whether datapoints are applicable and where they can be found in the sustainability statement.

The 2024 reporting period covers the period 1 January 2024 to 31 December 2024 (the reporting period) and has been prepared on a consolidated basis in line with the 2024 financial statements. Any critical or material events occurring on or after 1 January 2025 and up until the publication date are also covered in this report.

Norse is a first-time adopter of CSRD in 2024, and this sustainability report is hence the first sustainability report prepared by Norse in accordance with the CSRD framework.

The Company is presenting a double materiality analysis (DMA) as part of its sustainability statement. The DMA covers impacts, risks and opportunities within Norse's own operations, as well as upstream and downstream value chains.

The Company has not omitted any disclosure of any material information due to it being classified information or sensitive information, or it being a specific piece of information corresponding to intellectual property, know-how or the results of innovation.



1.2 Sustainability governance

1.2.1 The Board of Directors

The Board of Directors oversees the sustainability reporting process of Norse and holds the ultimate responsibility for the Company's sustainability reporting under CSRD. The Board has received updates on ESG matters from the Chief Executive Officer via the Audit Committee as part of the CSRD implementation project and has approved this sustainability statement. Going forward, the Board will receive regular updates on ESG matters from the Chief Executive Officer. By the end of the reporting period, the Board has eight members, including three employee representatives (37.5 per cent) and two independent directors (25 per cent). The three employee representatives on the Board are executive members, whereas the three other Board members are non-executive members. Three out of eight Board members are female (37.5 per cent), whereas five are male (62.5 per cent). The Board of Directors does not include members with specific expertise on sustainability and ESG, but several of the Board members are engaged in board roles and executive roles of other international corporations and are continuously building experience on sustainability matters across industries.

1.2.2.2 The Audit Committee

The Audit Committee is a sub-committee of the Board of Directors. The Audit Committee is in charge of supervising the processes of sustainability reporting, financial reporting, internal controls, risk management and auditing. Such duties, including those of sustainability reporting, are described in the Board of Directors' instructions to the Audit Committee. Going forward, the Board will receive

regular updates on ESG matters from the Chief Executive Officer. The Audit Committee is preparing matters on the above topics before they are presented to the full Board for it to provide final approvals. By the end of the reporting period the Audit Committee has three members, hereof one female member (33.3 per cent) and two male member (66.7 per cent). The Audit Committee oversees that appropriate skills and expertise are available for the Company's administrative, management and supervisory bodies on sustainability matters. The Company is in the early stages of its journey towards implementing a structured sustainability agenda, and while we have established a proper fundamental skillset within all bodies and levels of sustainability governance, the Audit Committee will focus on further developing these skillsets in the future.

1.2.3 Executive Management

The Company's Executive Management team, such as lead by the Chief Executive Officer, is in charge of defining Norse's objectives, how the Company monitor progress over such objectives and overseeing the governing policies that address the material impacts, risks and opportunities. By the end of the reporting period the Executive Management has six members, of which one is female (16.7 per cent) and five are male (83.3 per cent). Executive Management does not include members with specific expertise on sustainability and ESG.

1.2.4 Sustainability Management

The Chief Executive Officer has delegated to the Chief Financial Officer to manage the sustainability agenda on behalf of Norse. Reporting on sustainability topics is integrated with the reporting of financials, and there is hence one integrated finance and

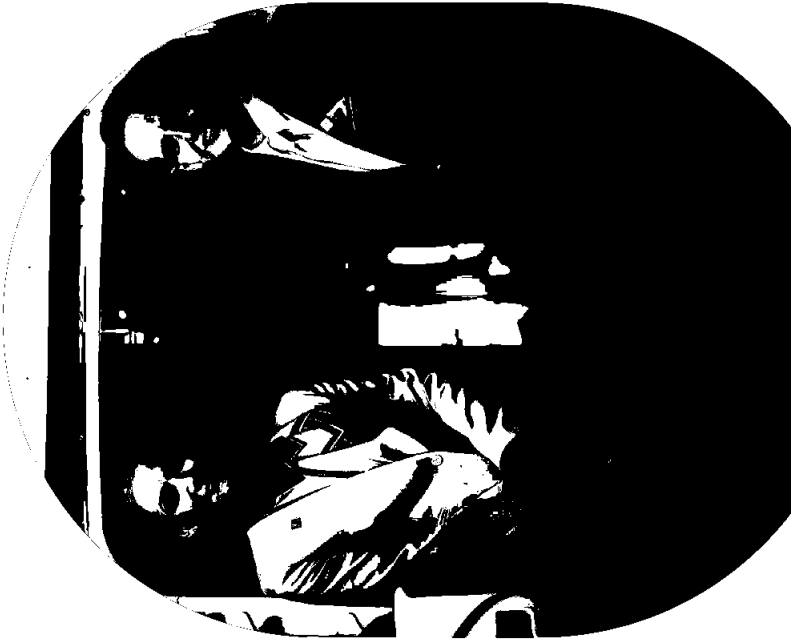
sustainability reporting function sitting within the financial organization. This integrated function coordinates the Company's various sustainability initiatives in a broad context, rather than strategic alignment of sustainability efforts, via policies, setting and action plans, and down to establishing reporting internal controls, data collection, as well as preparing internal and external reporting. The function is centrally coordinated across the Group, so that the line organizations are engaged as appropriate within the various functional areas, as people, procurement and the various elements of the business. The function on a regular basis prepares reporting and is accountable to the board of directors, and reports to the board and to the aforementioned bodies within Nordea's sustainability governance.

The Company has not yet implemented a structured methodology for assessing impacts, risks, and opportunities for sustainability when overseeing its strategy and transactions.

1.2.5 Sustainability risk management and inter

Being a first-time adopter of CSRD in 2024, the Company is in the early stage of establishing internal controls over the reporting process, and current internal controls would have to be described as less mature. The Company will further in the development of processes and associated controls in the time to come. For the time being, the Company has not implemented any specialized software system for the purpose of supporting sustainability reporting forming basis for the KPIs to be reported and associated distributed system landscape inside and outside of the

For now, the Company sees itself best served by applying manual processes of collecting, consolidating and controlling applicable sustainability data, but whereas such manual processes in turn are overseen by not yet formalized internal controls. Over some more time, and when the focus of the sustainability reporting has settled in on a set of KPIs and underlying assumptions to apply, the Company may find it appropriate to support the reporting processes by applying more specialized sustainability software.



For completeness and integrity of data, we believe risk levels to be quite moderate for data captured within our own operations, whereas data captured in the downstream value chain is subject to a higher risk. In the latter, the Company is dependent on third party data collection, whereas such data may not be applicable management information for the suppliers themselves, and the data hence not structured and subject to well-established internal controls. Such data therefore suffers risk of incompleteness, and in some cases, data will be calculated using various estimation methods, which create an inherent risk of inaccuracy. The Company applies post-calculation methods as well as analytical methods on data exposed to the above risks to reduce risks of errors and misstatements to acceptable levels.

Currently, there is no direct integration of sustainability-related performance in incentive schemes of the Company as defined by ERSR 2 GOV-3.

1.3 Strategy and business model

Norse's idea is to be the explorer's airline, making long-haul travel affordable for all, operating point to point transatlantic flights at a low cost.

Norse Atlantic Airways is a public limited company listed on the Euronext Expand at Oslo Stock Exchange. The Company was incorporated on 1 February 2021 under the laws of Norway and its registered office is in Arendal, Norway. The Company has wholly owned subsidiaries in Norway, Latvia, the UK, and the US.

¹ ACMI: Leasing agreement where the lessor provides Aircraft, Crew, Maintenance and Insurance to the lessee in return for a payment based on the number of block hours

Contents	→	Year in review	Sustainability statement	Corporate governance	Financial
			For completeness and integrity of data, we believe risk levels to be quite moderate for data captured within our own operations, whereas data captured in the downstream value chain is subject to a higher risk. In the latter, the Company is dependent on third party data collection, whereas such data may not be applicable management information for the suppliers themselves, and the data hence not structured and subject to well-established internal controls. Such data therefore suffers risk of incompleteness, and in some cases, data will be calculated using various estimation methods, which create an inherent risk of inaccuracy. The Company applies post-calculation methods as well as analytical methods on data exposed to the above risks to reduce risks of errors and misstatements to acceptable levels. Currently, there is no direct integration of sustainability-related performance in incentive schemes of the Company as defined by ERSR 2 GOV-3. 1.3 Strategy and business model Norse's idea is to be the explorer's airline, making long-haul travel affordable for all, operating point to point transatlantic flights at a low cost. Norse Atlantic Airways is a public limited company listed on the Euronext Expand at Oslo Stock Exchange. The Company was incorporated on 1 February 2021 under the laws of Norway and its registered office is in Arendal, Norway. The Company has wholly owned subsidiaries in Norway, Latvia, the UK, and the US.	Established in 2021, Norse is a new affordable long-haul airline that serves the transatlantic market, flying point to point modern, fuel-efficient Boeing 787 Dreamliners. Norse operates its commercial operations on 14 June 2022 and currently serves destinations including New York, Florida, Las Vegas, Cape Town, Berlin, London, Paris, Rome, Athens, Barcelona, Stockholm and Oslo. By the end of the reporting period, Norse has a fleet of aircraft, of which three are dry leased out to another operator, whereas 12 aircraft are operated by Norse. Norse operates its own scheduled network but does also offer charter services. ACMI services, especially during the winter season, are offered by dry leased-out aircraft are agreed to be re-delivered to the lessor early 2025. For leases, charters and ACMI, sales are based on net revenue and entering bi-lateral B2B contracts, whereas remuneration is fixed or per block hour operated. For operations in our own network, sales mainly are direct B2C sales via the Company's website. Towards the end of 2024, Norse has also created a global distribution systems (GDS) allowing for additional distribution channels and mixing in more B2B sales in its own network. Operations in our own scheduled network have risen to revenues from fares and ancillary, as well as cargo revenues. Cargo services are B2B activities, whereas sales and supported by an external cargo agent. Norse has built a finance organization carrying out base maintenance o	

operated by Norse, and some spare capacity allows for some minor sales of maintenance services to other airlines.

During the reporting period, passenger revenue is the dominating revenue stream of the Company, whereas from 2025, the Company aims to lease out a significant part of its fleet on longer-term ACMI contracts to secure year-round fixed revenue and de-risking its business model. Passenger revenue's portion of total revenue is therefore expected to decline, whereas the leasing revenue portion is expected to increase. When it comes to airborne personnel, Norse sources all its pilots and crew members through direct employment with the Company.

For the operation of the airline, leasing of aircraft is at the core of the Company's supply chain. Other important elements of supplies are fuel, airport services, ground handling, catering and maintenance services, as well as various other services and goods.

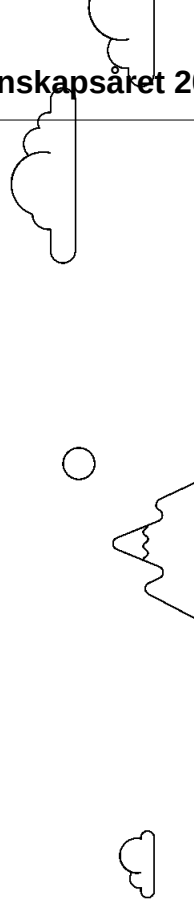
Operating a commercial airline implies that the Company's main sustainability impact is that of operating a business model being a major contributor to the world's GHG emissions until large technological shifts makes it possible to materially reduce such impact.

The Company has not set specific targets on sustainability and therefore does not include an assessment of its current significant services in relation to sustainability goals.

The illustration below shows the Company's value chain, including its own operations, upstream and downstream activities:

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Upstream value chain	Own operations	Downstream value chain
Suppliers of services Dry lease in of aircraft Maintenance Ground handling Airports Traffic control Cargo services IT Other	Flight operations Own scheduled network ACMI/charter Non-core operations Technical services to 3P Dry lease out of aircraft	Travelers with Norse (B2C) ACMI/charter customer and travelers (B2B) Cargo customers (B2B) Maintenance customers (B2B) Dry lease customers (B2B)
Suppliers of goods Jet fuel Aircraft spare parts Catering goods Electricity Other	Supporting operations Technical Commercial Finance and Administrative	



1.4 Our stakeholders

Norse is engaging with its stakeholders to form the basis for strong and productive relationships, including bringing transparency to, and ability to influence relevant impacts, risks and opportunities. In the following we are describing our main groups of stakeholders, how we interact with them and some of the outcomes of such dialogues.

1.4.1 Customers

Entertaining dialogues with customers is part of the Company's daily business, including the possibility for customers to engage in direct dialogue with the Company's customer service representatives.

Customers of Norse on their own initiative have established a community in social media¹ where they engage with each other on their shared engagement in the products and services of Norse. The Company follows the news stream of the community to pick up on customer views on Norse offerings, and Norse on occasion also has asked the administrators of the community to present to Norse their view on the headlines of customers' perception of Norse offerings.

Norse has established an approach of so-called A/B testing during development of web sales front-end features. This implies that varying small features at the time, various groups of customers are exposed to alternative sales journeys, allowing for the Company

to observe which journeys trigger the best customer satisfaction (measured through conversions to sales). Customer journeys that are proving to be preferred by a significant portion of the customers will since be implemented for all customer journeys.

The Company is working on implementing further tools and processes on the measurement of customer satisfaction. This will happen through the use Net Promoter Score (NPS), a market research metric that is based on a single survey question asking customers to rate the likelihood that they would recommend Norse to a friend or colleague. It will also be possible to gather additional qualitative information as basis for management to take actions for continuous improvement. By the end of the reporting period the processes are vet to be implemented.

1.4.2 Employees

Employees are key assets to the operations of Norse. Since the inception of the Company, Norse has proactively engaged in dialogue with employees as well as with their unions, encouraging employees to organize, and seeking to establish collective bargaining agreements with all major groups of employees in all major jurisdictions of operations. The Company engages in meetings with unions' representatives on a regular basis. The Company has established forums of dialogue and cooperation with employees such as it follows from good practice and legal requirements within the various jurisdictions. The Company carries out surveys among employees on a regular basis, allowing

management to better understand the perspectives of employees, in turn allowing for informed decisions. A number of Directors of the parent company Norse Atlantic AS and of eight board members are elected by and among the employees of the Group, hence strengthening employee perspective on key decision making of the Company.²

1.4.3 Suppliers

Norse maintains close and typically longer-term relationships with a series of suppliers. Some key suppliers will be for the aircraft, fuel supplies, airport services, ground handling, catering and maintenance services. Within several of these categories, suppliers are subject to strict industry regulations and practices in order to ensure safety and security for passengers as well as HSE for the employed personnel. Norse has a dedicated team that performs audits of all operational areas of two airlines, including external suppliers. These audits ensure adequate compliance with regulation and procedures in several areas, including safety, working hours and general working conditions. Norse has established a supplier code of conduct to incorporate it into contracts with material suppliers so that such suppliers hold CoC's of similar standard.

1.4.4 Shareholders

Norse Atlantic ASA is listed on Euronext Exchange and holds in total almost 6,500 shares in the company. The company is required to submit annual and quarterly financial reports to the shareholders and the business through monthly traffic reports. The company is required to submit event-driven stock exchange notices published on Nasdaq.

Facebook: Norse Atlantic Airways travelers and fans

² From legal reasons, selectable representatives to the Board of Directors are those being employees of the Norwegian airline entity, Norse Atlantic Airways AS.



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The Company also maintains an investor relation section on its corporate website.

In conjunction with quarterly financial reports, and when else suited, the Company hosts investor presentations allowing shareholders to attend live or virtual. Investor presentations occasionally are followed by plenary investor meetings allowing for two-way dialogue between shareholders and management, as well as the option for shareholders to attend one-to-one meetings with management.

Outside of these structured events, shareholders hold the opportunity of engaging in direct dialogue with the Company's investor relations function.

1.4.5 Authorities

Airline operations are subject to extensive and strict regulations, and for an airline to operate it needs to hold an air operator certificate (AOC). Norse holds two AOCs, one in Norway with its Norwegian subsidiary Norse Atlantic Airways AS, and one in the UK with its British subsidiary Norse Atlantic UK Ltd. The civil aviation authorities (CAA) of the respective countries are granting the AOCs and are overseeing compliance with regulations through various reporting requirements, performance of audits, as well as other monitorial activities.

1.4.6 The industry

Norse for various purposes engages in various cooperation activities together with other players across the aviation industry. An example of such is that Norse has been participating also part-funding an industry initiative collaborating on increasing problem of unruly passengers potentially on the safety of passengers and crew. The Company has been involved in industry initiatives to prevent human trafficking amongst others resulted in an information campaign where Norse airborne personnel has been trained in awareness identification of possible human trafficking with obligation to report suspected incidents of human trafficking.

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				that the relative importance of one IRO compared to another is reflected in their final ranking.			
				Based on the above process of assessment, the gross list of potential IROs has been taken down to a net list of 10 representing material sustainability matters of Norse. Assessments have been concluded through discussions and deliberations within Norse executive management.			
				1.6 Material impacts, risks and opportunities			
				1.6.1 Overview			
				The Company identified 10 material sustainability matters for Norse, which are linked to five different topical standards are ESRs E1 Climate, ESRs E2 Pollution, ESRs S1 Own workforce, ESRs S2 Value chain and ESRs G1 Governance.			
				The Company has not identified any significant current impacts from its material risks and opportunities on its position, financial performance or cash flow. While the Company can currently indicate the nature and direction of any effects, it is unable to provide reliable estimates of the amounts at this time.			

1.5

Materiality assessment process

1.5.1

Identifying sustainability matters

The Company has not yet formalized sustainability matters as an integral part of the Company's decision-making process, or as an integral part of overall risk management processes. Being a first-time adopter of CSRD in 2024, Norse has for the first time been undergoing a double materiality assessment (DMA) along the lines of ESRs. Based on a mapping of its value chain and associated stakeholders, the Company has considered all topics of ESRs 1, paragraph 16 and to which extent there might be impacts, risks and/or opportunities (IROs) associated with the Company's own operations or its value chain. Most of the underlying topics requested by ESRs 1 to be highlighted by such DMA are to some extent already identified and managed by the Company, for example due to running business requirements, legal requirements or applicable risk assessments, such as in relation to reporting under the Norwegian Transparency Act. The identification of sustainability matters involved reviewing existing company documentation and external sources, as well as engaging in discussions with internal stakeholders across all functional areas. The involvement of external stakeholders has been somewhat limited in the DMA process so far. We view our DMA and understanding of our IROs as evolving and as something we aim to continuously improve in the years to come. We will increase

1.5.2

Defining the material sustainability matters

The gross list of potential IROs has been assessed and scored in accordance with the double materiality methodology of ESRs 1 for the purpose of identifying the material sustainability matters of the Company. Assessments have been made in collaboration with stakeholders holding insights into the topics of the IROs.

For the purpose of impact materiality, assessments have been made of scale, scope and irremediability combined into severity, being held up against likelihood of impact, depending on impact being actual or potential. For cases of negative human rights impact, the severity of the impact takes precedence over likelihood.

For financial materiality, assessments have been made of the magnitude of risks and opportunities, as well as likelihood and nature of potential financial effects.

The scoring has been carried out in repeated rounds, also allowing potential IROs to be evaluated up against each other, ensuring

1.6

Material impacts, risks and opportunities

1.6.1

Overview

The Company identified 10 material sustainability matters for Norse, which are linked to five different topical standards are ESRs E1 Climate, ESRs E2 Pollution, ESRs S1 Own workforce, ESRs S2 Value chain and ESRs G1 Governance.

The Company has not identified any significant current impacts from its material risks and opportunities on its position, financial performance or cash flow. While the Company can currently indicate the nature and direction of any effects, it is unable to provide reliable estimates of the amounts at this time.

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1.6.2 Materiality matrix

The following table sums up the material sustainability matters (IROs) of the Company, represented by the topical standards of the IROs, and together with a specification of the sustainability matters' materiality along the axis of impact materiality and financial materiality:

	Contents →	Year in review	Sustainability statement	Corporate governance	Financial
	Impact material			Double material	
	E2 Pollution			E1 Climate change	
	S2 Workers in the value chain			S1 Own workforce	
	G1 Governance				
	Not material			Financially material	
	E3 Water and marine resources				
	E4 Biodiversity and ecosystems				
	E5 Resource use and circular economy				
	S3 Affected communities				
	S4 Consumers and end-users				

3.5	Sustainability statement General information	Contents	➔	Year in review	Sustainability statement	Corporate governance	Financial
As follows from the previous page, the Company has identified five topical standards as material, and across these standards, the Company has identified the following 10 IROs, here presented in some							
1.6.3 E1 Climate change							
Description		IRO category	Value chain location	Time horizon	Description	IRO category	Value chain location
GHG emissions from jet fuel burn The operations of Norse are a major contributor to GHG emissions, in particular those of CO ₂ stemming from the aircraft engines' burn of jet fuel. This in spite of Norse holding the most fuel-efficient aircraft available, but with total emissions nevertheless being substantial		Actual negative impact	Own operations	Short-, mid- and long-term	Working time of own workforce Working time exceeding normal working hours during operational disturbances etc, leading to employee fatigue and reduced well-being	Potential negative impact	Own operations
Increased cost of fuel due to SAF The industry and the authorities have pointed out ambitious targets for the portion of sustainable aviation fuel (SAF) to be blended into airlines' fuel consumption. Limited production capacity and scarce supply of input factors to the production, in combination with minimum requirements on SAF portion of total fuel consumption, may lead to higher fuel prices		Risk	Own operations	Mid- and long-term	Work-life balance of own workforce Employees negatively affected by burden of inconvenient working hours and over-night stays away from home	Potential negative impact	Own operations
1.6.4 E2 Pollution		Diversity Increasing area of possibilities through global perspective on recruitment in a tight labor market and opening for broader business perspectives					
Description		IRO category	Value chain location	Time horizon			
NO_x emissions from jet fuel burn The process of jet fuel burn leads to emissions of NO _y , NO _x poses health risks and also indirectly contributes to the greenhouse effect. The level of NO _x emissions per unit of jet fuel depends on operating conditions such as pressure, temperature and air-to-fuel ratio		Actual negative impact	Own operations	Short-, mid- and long-term			

1.6.6 S2 Workers in the value chain

Description	IRO category	Value chain location	Time horizon
Secure employment Risk of employees of suppliers working as temps, without contracts or with low protection of employment (ground handling, cleaners, catering, hotels, textiles)	Potential negative impact	Upstream	Short-term
Working time Risk of employees in services such as ground handling, catering, hotel services and cleaning working too long hours	Potential negative impact	Upstream	Short-term
Adequate wages Risk of wages not meeting minimum local standards for the profession, or hindering minimum quality of life	Potential negative impact	Upstream	Short-term

1.6.7 G1 Governance

Description	IRO category	Value chain location	Time horizon
Corporate culture Growing fast and being present in various locations across varying business cultures may impose risk of not building a sufficiently uniform and strong culture supporting realization of business strategy as well as ensuring ethical sound ways of doing business	Potential negative impact	Own operations	Short-term

1.6.8 Further detail to the scoping of Norse value chain

All current aircraft of the Norse fleet are leased from third party lessors, and are hence not property of Norse, whereas the aircraft were already built and brought to market when acquired by Norse as a lessee. The aircraft of the current Norse fleet were all built during the period through 2018. Norse is currently not engaged in the sourcing of any additional aircraft to renew the fleet. All aircraft production activities related to the Norse fleet are hence past outside of Norse control. Until Norse re-engages in sourcing additional aircraft, activities outside of new aircraft are therefore considered as out of scope of the Norse value chain.

The aircraft leases held by Norse have an average remaining lease term of approximately 10 years, the aircraft are returned to the lessors, the age of the aircraft averages at less than 20 years, full-service life according to the producer Boeing could be as long as 40 to 50 years. The aircraft is expected to have a long lifespan even after their service at Norse. For the aircraft to be disposed is expected to be remote in time and to happen outside of the Company's control. The disposal of obsolete aircraft is therefore also considered as outside scope of the Norse value chain.

1.6.9 Limitations of the analysis

As will be described further in the Sustainability statement's chapter 2, the Company has conducted any climate risk analysis in line with recognized standards or frameworks. Conducted climate risk analysis based on the recommendations of the Task Force on Climate-related Disclosures (TCFD) would likely provide a more granular understanding of both the physical risks and the transition risks that the Company is exposed to. This could potentially result in impact and financial risks being highlighted beyond the scope of the current analysis.

Further to this, Norse is a young Company still building its business and its business process integration of sustainability topics into overall risk management processes is equally still early. The first period of sustainability reporting under CSRD, and the Company aims to gradually refine its methodologies and processes throughout 2025 and onwards, aiming also for sustainability reporting to become a more integral part of the operations and thinking of the business. The quality of reporting is expected to improve accordingly.

1.7 Statement on Due diligence

1.8 Disclosure requirements in ESRs covered by the sustainability statement

The following represents a list of disclosure requirements met by the Company and where be found in the sustainability statements (in order of appearance).

Core elements of due diligence	Chapter of the Sustainability Statement	ESRS	DR	DR description
a) Embedding due diligence in governance, strategy and business model	1.2 Governance (ESRS 2, GOV-1, GOV-2) 3.4 Workers in the value chain (S2) 4.3.1 Business conduct policies and corporate culture (G1)	ESRS2 ESRS2 ESRS2	BP-1 GOV-1 GOV-2	General basis for preparation of the sustainability statement The role of the administrative, management and supervisory bodies Information provided to and sustainability matters addressed by the undertaking's administrative management and supervisory bodies
b) Engaging with affected stakeholders in all key steps of the due diligence	1.2 The role of the administrative, management and supervisory bodies (GOV-1) 1.4 Interests and views of stakeholders (SBM-2) 1.5 Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1) Information provided in the individual chapters, sections 3.3.3 and 3.4.3	ESRS2 ESRS2 ESRS2 ESRS2 ESRS2 ESRS2 ESRS2 ESRS2	GOV-3 SBM-1 SBM-2 GOV-5 IRO-1 IRO-2	Integration of sustainability-related performance in incentive schemes Strategy, business model and value chain Interests and views of stakeholders Risk management and internal controls over sustainability reporting Description of the processes to identify and assess material impacts, risks and opportunities Disclosure Requirements in ESRs covered by the undertaking's sustainability statement
c) Identifying and assessing adverse impacts	1.5 Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1) Covered in the relevant chapters (SBM-3)	ESRS2 ESRS2	IRO-2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model Statement on due diligence
d) Taking actions to address those adverse impacts	Information provided in the individual chapters, sections 2.3.4, 2.4.3, 3.3.4 and 3.4.4	ESRS2 ESRS E1 ESRS E1 ESRS E1 ESRS E1	GOV-4 SBM-3 SBM-3 SBM-3 IRO-1	Material impacts, risks and opportunities and their interaction with strategy and business model Material impacts, risks and opportunities and their interaction with strategy and business model Description of the processes to identify and assess material impacts, risks and opportunities Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
e) Tracking the effectiveness of these efforts and communicating	Information provided in the individual chapters, sections 2.3.5, 2.4.4, 3.3.5, 3.4.5 and 4.4	ESRS E1 ESRS E1 ESRS E1 ESRS E1 ESRS E1 ESRS E1 ESRS 2 ESRS E2 ESRS E2 ESRS E2	E1-9 E1-1 E1-2 E1-3 E1-4 E1-5 E1-6 BP-2 E2-1 E2-2 E2-6	Transition plan for climate change mitigation Policies related to climate change mitigation and adaptation Actions and resources in relation to climate change policies Targets related to climate change mitigation and adaptation Energy consumption and mix Gross Scopes 1, 2, 3 and Total GHG emissions Disclosures in relation to specific circumstances Policies related to pollution Actions and resources related to pollution Anticipated financial effects from material pollution-related risks and opportunities

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ESRS	DR	DR description	Chapter	ESRS	DR	DR description								
ESRS E2	E2-3	Targets related to pollution	2.4.4	ESRS 2	BP-2	Disclosures in relation to specific circumstances								
ESRS E2	E2-4	Pollution of air, water and soil	2.4.5	ESRS S2	S2-1	Policies related to value chain workers								
ESRS 2	BP-2	Disclosures in relation to specific circumstances	2.4.6	ESRS S2	S2-2	Processes for engaging with value chain workers about impacts								
ESRS E2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.2	ESRS S2	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns								
ESRS S1	S1-1	Policies related to own workforce	3.3.2	ESRS S2	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions								
ESRS S1	S1-2	Processes for engaging with own workforce and workers' representatives about impacts	3.3.3											
ESRS S1	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	3.3.4	ESRS S2	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities								
ESRS S1	S1-4	Taking action on material impacts on own workforce	3.3.4											
ESRS S1	S1-12	Persons with disabilities	3.3.4	ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model								
ESRS S1	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.3.5	ESRS G1	G1-1	Business conduct policies and corporate culture								
ESRS S1	S1-6	Characteristics of the undertaking's employees	3.3.6	ESRS G1	G1-2	Management of relationships with suppliers								
ESRS S1	S1-7	Characteristics of non-employees in the undertaking's own workforce	3.3.6	ESRS G1	G1-3	Prevention and detection of corruption and bribery								
ESRS S1	S1-8	Collective bargaining coverage and social dialogue	3.3.6	ESRS G1	G1-4	Incidents of corruption or bribery								
ESRS S1	S1-9	Diversity metrics	3.3.6	ESRS G1	G1-5	Political influence and lobbying activities								
ESRS S1	S1-15	Work-life balance metrics	3.3.6											

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1.9 List of datapoints that derive from other EU legislation

The following represents a table of all the datapoints that derive from other EU legislation as listed in Appendix B of ESRs 2, indicating where such datapoints can be found in the sustainability statement

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation and EU Climate Law reference	Material / Not material
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	Material
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II	Material
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1			Material
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(t) Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(t) Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14			Regulation (EU) 2021/1119, Article 2(1)	Material
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2	Not material

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Disclosure Requirement and related datapoint

SFDR reference

Pillar 3 reference

Benchmark Regulation and EU Climate Law reference

Material / Not material

ESRS E1-9

Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).

ESRS E1-9

Degree of exposure of the portfolio to climate-related opportunities paragraph 69

ESRS E2-4

Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28

ESRS E3-1

Water and marine resources paragraph 9

ESRS E3-1

Dedicated policy paragraph 13

ESRS E3-1

Sustainable oceans and seas paragraph 14

ESRS E3-4

Total water recycled and reused paragraph 28 (c)

ESRS E3-4

Total water consumption in m³ per net revenue on own operations paragraph 29

ESRS 2- SBM 3 - E4

paragraph 16 (a) i

ESRS 2- SBM 3 - E4

paragraph 16 (b)

ESRS 2- SBM 3 - E4

paragraph 16 (c)

Indicator number 8
Table #1 of Annex 1
Indicator number 2
Table #2 of Annex 1
Indicator number 1
Table #2 of Annex 1
Indicator number 3
Table #2 of Annex 1

Indicator number 7
Table #2 of Annex 1

Indicator number 8
Table 2 of Annex 1

Indicator number 12
Table #2 of Annex 1

Indicator number 6.2
Table #2 of Annex 1

Indicator number 6.1
Table #2 of Annex 1

Indicator number 7
Table #1 of Annex 1

Indicator number 10
Table #2 of Annex 1

Indicator number 14
Table #2 of Annex 1

Article 443a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral

Delegated Regulation (EU) 2020/1818, Annex II

Not material

Not material

Material

Not material

Not material

Not material

Not material

Not material

Not material

Not material

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference			Benchmark Regulation and EU Climate Law reference		Material / Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex I						Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex I						Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex I						Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex I						Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I						Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I						Not material
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I						Not material
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I						Not material
ESRS S1-1 Due diligence policies on issues addressed by the fundamental international Labor Organisation Conventions 1 to 8, paragraph 21					Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I						Not material
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Disclosure Requirement and related datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation and EU Climate Law reference	Material / Not material		
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19		Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material		
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19				Delegated Regulation (EU) 2020/1816, Annex II	Not material		
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36		Indicator number 14 Table #3 of Annex 1			Not material		
ESRS S3-1 Human rights policy commitments paragraph 16		Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1			Not material		
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17		Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material		
ESRS S3-4 Human rights issues and incidents paragraph 36		Indicator number 14 Table #3 of Annex 1			Not material		
ESRS S4-1 Policies related to consumers and end-users paragraph 16		Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1			Not material		
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17		Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material		
ESRS S4-4 Human rights issues and incidents paragraph 35		Indicator number 14 Table #3 of Annex 1			Not material		
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)		Indicator number 15 Table #3 of Annex 1			Not material		
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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation and EU Climate Law reference	Material / Not material
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1			Material
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1			Material
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1			Material

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Chapter 2

Environmental information

2.1 Norse's commitment

It must be acknowledged that aviation is a major contributor to both GHG and NO_x emissions and that this will remain unchanged until new fuels or technologies become technically and economically viable. Norse only operates direct, point-to-point long-haul flights, under a vision to make long-haul travel affordable for all.

The Company is equipped with the most modern and fuel-efficient widebody aircraft currently available, with a fleet configured to take more passengers than most peers using the same aircraft type. This allows for a potentially best-in-class environmental footprint per seat. We refer to chapter 2.3.4 for more details and data on the fuel consumption of Norse aircraft compared to those of peers.

2.2 Impacts, risks and opportunities

As presented in chapter 1, Norse has identified two material IROs within ESRs E1 Climate change, and one material IRO within ESRs E2 Pollution. The significance of all three IROs is primarily driven by jet fuel consumption. Consequently, the sections detailing policies, actions, resources, metrics, and targets will largely overlap and be cross-referenced across the IROs.

2.2.1 IROs associated with ESRs E1 Climate change

Description	IRO category	Value chain location
GHG emissions from jet fuel burn The operations of Norse are a major contributor to GHG emissions, in particular those of CO ₂ stemming from the aircraft engines' burn of jet fuel	Actual negative impact	Own operations
Increased cost of fuel due to SAF The industry and the authorities have pointed out ambitious targets for the portion of sustainable aviation fuel (SAF) to be blended into airlines' fuel consumption. Limited production capacity and scarce supply of input factors to the production, in combination with minimum requirements on SAF portion of total fuel consumption, may lead to higher fuel prices	Risk	Own operations

2.2.2 IROs associated with ESRs E2 Pollution

Description	IRO category	Value chain location
NO_x emissions from jet fuel burn The process of jet fuel burn leads to emissions of NO _x . NO _x poses health risks and also indirectly contributes to the greenhouse effect. The level of NO _x emissions per unit of jet fuel depends on operating conditions such as pressure, temperature and air-to-fuel ratio	Actual negative impact	Own operations

Contents	→	Year in review	Sustainability statement	Corporate governance	Financial
2.3 ESRs E1 Climate change 2.3.1 Climate-related risks and resilience The predominant climate-related impact of the Company is the significant emissions of GHG generated in our own operations, through the process of burning large volumes of jet fuel. The Company has not conducted any scenario-based climate risk analysis as per the standards of ESRs E1 Climate change. In the absence of such a climate risk analysis, the Company has not been able to prepare any resilience analysis regarding the related risk factors, nor prepare calculation of financial effects from such risks. Some high-level assessments have been made as an initial survey of the Company's possible exposure to climate-related risks. These high-level assessments indicate that the climate risks affecting aviation to a large degree is connected to the activities taking place on the ground, and primarily in and around airports – hence in the upstream value chain, but in turn affecting the Company's own operations. In the shorter-term (indicatively within next year of operations and onwards) effects are likely to be associated with disruptive events in the form of extreme weather events like storms, extreme heat and floods. These events will typically be disturbing airport operations, leading to delays, cancellations and infrastructure damage. Airlines may also see impact directly on their own operations as jet engine performance and maintenance requirements potentially could be affected by exposure to heavy storms. Airlines are in general exposed to transition risk factors, as an emission-intensive industry which is also covered by a number of emission trading systems (ETS). Both new regulations, increased pricing of GHG emissions, cost of technology transition, stranded assets and changing customer behavior could become material risks for all actors within our sector. In the short term, Norse considers itself to have relatively high resilience on technology transition risks of the aircraft fleet. The current fleet represents the most fuel-efficient technology available on the market today, and there is hence no immediate need for fleet renewal. The aircraft manufacturers are continuously putting effort into developing more and more fuel-efficient aircraft, but the large paradigm shifts into viable solutions of zero emissions technologies is more of a long-term scenario. In this context, Norse is thus in a favorable position, equipped with a fleet of modern and fuel-efficient technologies. The fleet is on leases holding an average remaining lease term of approximately 10 years. That leaves the Company with a predictability to maintain an efficient fleet in quite a long term, but in the other end leaving room for entrance into new technologies over time and also excluding the financial and commercial risk of being left with obsolete aircraft holding outdated technology in the very long term. Awaiting solutions of zero emissions technologies, the aviation industry is meeting the challenge of reducing GHG-emissions through the phase-in of sustainable aviation fuel (SAF). The phase-in requirements and the surrounding uncertainties are further described under Actions and resources. The SAF phase-in process represents a transition risk as it comes with an uncertain supply side and the potential of a largely increased fuel price, making it possible to point out the direction of the financial effects negative to the profit or loss, but the large degree of uncertainty makes it difficult to make meaningful anticipations on financial effects of such transition risk. As the size of the effects will correlate with fuel consumption, the Company will be considered less exposed to this risk due to holding a fuel-efficient fleet compared to its competitors. The considerations on potential financial effects of climate-related risks in this chapter are consistent with those stated in the financial statements of the Company. As considerations on climate-related risks are not the results of a systematic and in-depth analysis, there might be blind spots in our assessment with the potential that material financial effects of climate-related risks could be revealed and presented as part of this report. 2.3.2 Transition plan Norse is a young company focused on building its operations as a viable player in the low-cost long-haul market within its first few years of business. Environmental sustainability is an integrated dimension to such business activities, and the Company being in an early phase of developing its sustainability strategy. As of now, Norse has therefore not committed to a transition plan formalizing the company's efforts in climate change. Moving forward, the Company will seek knowledge and experience on industry developments, technologies, and concepts, ideas and potential plans for sustainable actions that are mentally and financially viable.					

Norse has not decided if a transition plan should be established in the future, or by when a decision of that should be made. The outcome of the process might be that no transition plan will be adopted.

2.3.3 Climate change policies

The Company has not yet established formal policies specifically addressing climate change adaptation or mitigation. This absence of policies is related to the fact that the Company has not adopted a transition plan and perceives limited opportunities for action due to its modern fleet and the current lack of alternative technologies. For further details, please refer to section 2.3.4 "Current state and room for action" below.

The Company does not apply any internal carbon pricing schemes.

2.3.4 Actions and resources in relation to climate change policies

Current state and room for action

Under the technologies currently feasible, Norse is equipped with the most modern and fuel-efficient widebody aircraft available, being configured to take more passengers than most peers using the same aircraft type, in turn allowing for a potentially best-in-class environmental footprint per seat.

The table below shows a benchmark analysis of Norse's jet fuel consumption per available seat of Norse Boeing 787-9 aircraft. It shows that Norse's configuration of the aircraft comes with a lower fuel consumption than that of the standard Boeing configuration, fewer seats, and a lower relative fuel consumption than any of the competing aircraft models in the wide-body segment.¹

Aircraft	First flight	Seats	Fuel consumption per available seat (litres/100km)	Sector
Norse Boeing 787-9 ²	2019	338	9,208 km	2.0
Boeing 787-10	2017	337	10,240 km	2.2
Boeing 787-9 (standard)	2013	304	9,208 km	2.3
Airbus A350-900	2013	315	9,208 km	2.3
Boeing 777-9X	2020	395	13,300 km	2.4
Airbus A330-300	2017	300	8,610 km	2.4
Airbus A350-1000	2016	367	10,243 km	2.5
Airbus A330-800	2017	248	8,610 km	2.7
Boeing 787-8	2011	243	8,610 km	2.7
Boeing 747-8	2011	467	11,000 km	2.8
Boeing 777-300ER	2003	382	10,199 km	2.9
Boeing 777-200ER	1996	301	11,000 km	3.0
Airbus A330-300	1992	274	10,275 km	3.1
Boeing 747-400	1988	487	10,147 km	3.1
Airbus A380	2005	544	11,000 km	3.1

¹ Source: Various sources, all summarized at https://en.wikipedia.org/wiki/Fuel_economy_in_aircraft
² Source: Calculated as the Boeing 787-9 (standard) consumption figure multiplied by 304 divided by 338

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		With a very modern and fuel-efficient fleet, the next significant leap towards zero emissions is likely to come from technological advancements that have yet to fully emerge. Until such new technologies become available and viable, and given that Norse is already utilizing the best technology available, the room for further actions is somewhat limited for the company. Still, there are some actions to be pursued, and these are described in the following sections. These actions are, however, not defined and specified according to the requirements of DR E1-3, such as quantifying the expected GHG emissions reductions and the necessary monetary resources required for implementation. This should be seen in the context that the actions presented are the result of ad-hoc analysis rather than long-term strategic sustainability planning. If the Company later adopts a climate transition plan, more comprehensive and well-developed actions should be expected to arise from that.						
		Lowering the footprint per unit The Company already operates the industry's most fuel-efficient aircraft measured per available seat, and the ability to reduce the negative impact predominantly lies in reducing the emissions footprint per unit. If Norse succeeds in delivering its capacity at low cost combined with low emissions, it could contribute over time to the retraction of less modern aircraft from the market, as competitors with higher cost/higher emissions capacities are outperformed. It should be noted that Norse does not count any reduction in emissions from such competitor capacity retraction as part of its own value chain or climate accounting. From Norse's perspective the focus is on emissions per sold kilometer, i.e. per Revenue Passenger Kilometer (RPK), rather than per Available						
		Seat Kilometer (ASK). Norse strives to maximize its load factor (RPK in percentage of ASK), which increases the Revenue Passenger Kilometer (RPK), in turn lowering the emissions footprint per unit of RPK. This strategy also aligns with the financial feasibility of the business. Optimizing flying patterns For any given network being operated, fuel consumption can be optimized by adjusting how the aircraft are operated. This optimization could involve route selections, flying patterns and procedures during take-off and landing, as well as choosing altitudes that provide favorable jet streams. Such optimization has its constraints in availability of overflying rights, allowed corridors and minimum altitudes in and out of airports, as well as possible instructions and permissions received from air traffic control (ATC) and air traffic flow management (ATFM) during the course of a flight. Norse has introduced specialized software that can assist pilots in optimizing their procedures for the purpose of saving fuel. Developing and implementing such new procedures is still an ongoing process and there is yet further potential for fuel savings to be exploited. Implementing Sustainable Aviation Fuel The aviation industry and its regulators have initiatives in place to gradually phase in Sustainable Aviation fuel (SAF) as a blend-in and partial substitute for traditional jet fuels. SAF is produced from sustainable resources such as forestry and agricultural waste, sugar, fats, oils and more. SAF does generate GHG emissions,						
		but at a substantially lower level than that of jet fuel entirely from fossil sources. Both the UK and the EU, Norway, have imposed regulations for SAF to be phased in over the coming years, whereas no such regulation exists at the time of writing. The regulations apply to fuel deliveries within the respective jurisdictions, with fuel suppliers responsible for meeting requirements. For airlines the geographic location of the minimum SAF obligations. Norse will be familiar with a range of stations across its network and will be subject to a combination of these regulations. Within the EU, SAF is implemented with a volume-based requirement from 2025 at a minimum of 2 per cent blend-in by 2030. From 2030 there is an additional requirement of a percentage of synthetic fuel blend-in, which is scheduled to increase towards 2050. Total minimum blend-in requirement along the thresholds 20 per cent in 2035, 40 per cent in 2040, 42 per cent in 2045 and 70 per cent in 2050. SAF requirements are equally established at 10 per cent for UK jet fuel demand in 2025, increasing linearly to 10 per cent in 2030 and then to 22 per cent in 2040. From 2040, the demand will remain at 22 per cent of total UK jet fuel demand with greater certainty regarding SAF supply. Currently, SAF production capacity is highly constrained and there is also scarce availability of raw materials required for production. Such input factors are also in demand for other purposes, creating uncertainty as to whether the supply will meet the expected growth in demand and at what cost.						

Norse is committed to phasing in SAF, both within the minimum requirements and above, provided it becomes available in the market and at a cost that makes it feasible from both financial perspective and a sustainability perspective.

2.3.5 Metrics and targets

The Company has not yet set gross emission reduction targets and therefore does not have climate change mitigation and adaptation targets that meet the requirements set forth by DR E1-4.

As previously described, the Company will pursue a target of lowering emissions per unit of Revenue Passenger Kilometer (RPK) through improving load factors, optimizing flying patterns and following SAF phase-in plans. These measures are focused on own scheduled network flights, as for ACMI flights the fuel use and routes flown are decided by the customer.

2.3.6 E1 Environmental data

The following tables present key environmental data for ERSR E1 Climate change. Details on methodology and assumptions are provided under E1 accounting policies.

Energy consumption and mix		Unit
Energy consumption and mix		
Fuel consumption from crude oil and petroleum products		MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources		MWh
Total fossil energy consumption (MWh)		MWh
Share of fossil sources in total energy consumption (%)		%
Consumption from nuclear sources (MWh)		MWh
Share of consumption from nuclear sources in total energy consumption (%)		%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)		MWh
Total renewable energy consumption (MWh)		MWh
Share of renewable sources in total energy consumption (%)		%
Total energy consumption (MWh)		MWh
Energy intensity per net revenue		
Energy intensity per net revenue		
Total energy consumption from activities in high climate impact sectors pr net revenue from activities in high climate sectors (MWh/tUSD)		
The net revenue from activities in high climate impact sectors used in this calculation is U.S. dollars per tonne of CO ₂ equivalent, which is the total revenue of the Company for the period as presented in the consolidated financial statements of comprehensive income, and as further specified in note 4.1 in the consolidated financial statements.		

Total GHG emissions disaggregated by scope 1 and 2 and significant scope 3

Retrospective					Milestones and target years		
	Base Year (tCO ₂ e) 2024	Comparative (tCO ₂ e) N/A	N (tCO ₂ e) 2024	% N/N-1 (%) N/A	Target (tCO ₂ e) 2025	Target (tCO ₂ e) 2030	Target (tCO ₂ e) (2050)
Scope 1 GHG emissions Gross location-based Scope 1 GHG emissions ('000 tCO ₂ e) Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)							
	672.81	NA	672.81	NA	NA	NA	
Scope 2 GHG emissions Gross location-based Scope 2 GHG emissions ('000 tCO ₂ e) Gross market based scope 2 GHG emissions ('000 tCO ₂ e)							
	0.05	NA	0.05	NA	NA	NA	
	0.40	NA	0.40	NA	NA	NA	
Significant scope 3 GHG emissions Total Gross indirect (Scope 3) GHG emissions ('000 tCO ₂ e) 1 Purchased goods and services 3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2) 5 Waste generated in operations 6 Business traveling 13 Downstream leased assets							
	187.01	NA	187.01	NA	NA	NA	
	0.82	NA	0.82	NA	NA	NA	
	140.58	NA	140.58	NA	NA	NA	
	0.04	NA	0.04	NA	NA	NA	
	2.49	NA	2.49	NA	NA	NA	
	43.09	NA	43.09	NA	NA	NA	
Total GHG emissions Total GHG emissions (location-based) ('000 tCO ₂ e) Total GHG emissions (market-based) ('000 tCO ₂ e) Gross scopes 1, 2, 3 and total GHG emissions							
	859.87	NA	859.87	NA	NA	NA	
	860.22	NA	860.22	NA	NA	NA	

GHG intensity per net revenue

GHG intensity per net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO ₂ e/tUSD)	1.46
Total GHG emissions (market-based) per net revenue (tCO ₂ e/tUSD)	1.46

The net revenue used for the calculation is at USD 588,106 thousand, which is the total revenue of the Company for the period ended 31 December 2024 for the consolidated financial statements.

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2.3.7 E1 Accounting principles

The following tables present the methodology and assumptions used for reporting ESRs E1 environmental data.

Area	Description
Energy consumption and mix, Energy consumption from non-renewable sources	Energy consumption from non-renewable sources includes fuel consumption from crude oil, which is mainly from the consumption of jet fuel, but also some use of company vehicles. In addition, non-renewable energy consumption includes electricity and heat to office buildings are purchased from non-renewable sources. For jet fuel is assumed to have a heating value of 46.42 T J/Gg.
Energy consumption and mix, Energy consumption from renewable sources	Energy consumption from renewable sources is from electricity and heating to office buildings.
Direct GHG emissions (scope 1)	Scope 1 consists of the total GHG emissions from jet fuel consumed in operations under Norse's operational control (own scheduled network and charter flights) and fossil fuel emissions from own OSL maintenance department vehicles. The amount of jet fuel consumed is registered and tracked by the flight operations IT systems (PDC Aviation Systems) and the data are considered highly reliable as they are subject to third party verification under the EU ETS Monitoring and Reporting Regulation (EU), the UK ETS Monitoring and Reporting Regulation (UK) and the CORSIA Monitoring, Reporting and Verification (CAO). Emissions from ACMI flights (leased out Aircraft including Crew, Maintenance and Insurance) are defined as outside Norse's operational control and are therefore covered in Scope 3. The emission factor for jet fuel is 3.16 tonnes CO₂ per tonne of jet fuel. The use of this factor is required under the above-mentioned monitoring and reporting frameworks and is therefore applied for consistency across reporting.

Area	Description
Indirect GHG emissions (scope 2)	Scope 2 consists of GHG emissions from purchased energy and heating at locations where Norse has operational control. This includes all the buildings/offices that Norse rent, in addition to Hangar at Osløya. All subsidiaries of the Company are included in the emission calculations with the exception of subsidiaries in Latvia that was established towards the end of the reporting period, and which had started activities by the end of the reporting period. The Company has examined possible additional emission levels of operational control. No such operational control was identified. In compliance with the ESRs, Scope 2 emissions are calculated using both location-based and market-based emission factors. For the Norwegian locations, both the market-based (0.5990 CO₂e/MWh) and emission factors (0.015 CO₂e/MWh) are retrieved from the The Norwegian Energy Regulatory Authority. For the other locations (US, UK, and France), the emission factors for both market-based and location-based emissions are retrieved from "Climateiq": • US (year 2021/2022): Location-based (0.3692 CO₂e/MWh), market-based (0.4160 CO₂e/MWh) • France (year 2023): Location-based (0.0500 CO₂e/MWh), market-based (0.0410 CO₂e/MWh) • UK (year 2024/2023): Location-based (0.0459 CO₂e/MWh), market-based (0.3084 CO₂e/MWh) For district heating at OSL, the emissions factor is 0.0337 CO₂e/MWh, retrieved from the Norwegian Association (Norsk Fjernvarme).

Indirect GHG emissions (scope 3)

For scope 3 assessments have been made to determine which sub-categories are applicable in addition to how the emissions can be estimated. The Company has conducted an analysis associated cost spending and relative level of emissions. The categories presented in the table are the most relevant categories not being immaterial and with access to data that can provide for estimation. The following represents the categories of scope 3 emissions included in the report and how they have been estimated:

Category 1: Purchased Goods and Services

This category includes emission calculations for major goods and services provided to the company as maintenance, ground handling, and leased engines. Emissions have been calculated using of supplier-specific data and averages derived from supplier information. Norse has engaged suppliers to obtain accurate supplier-specific data.

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Area	Description	Area	Description					
	Category 3: Fuel and Energy-Related Activities (not included in Scope 1 or Scope 2) The total jet fuel burn from Scope 1 emissions is multiplied by a 'Well-to-Tank' emission factor of 0.6603 CO₂e/kg (Climatiq, 2024). This 'Well-to-Tank' emission factor accounts for the environmental impact from fuel extraction through to its refinement and delivery into the aircraft. Additionally, the total kWh usage from Scope 2 emissions is multiplied by a 'Transmission and Distribution (T&D) Loss' emission factor, which represents the electricity lost due to inefficient transmission and distribution infrastructure. The emission factors retrieved from Climatiq are as follows: • UK: 0.0177 CO₂e/kWh • Norway: 0.0002 CO₂e/kWh • US: 0.045 CO₂e/kWh • France: 0.0007 CO₂e/kWh Category 5: Waste Generated in Operations This category includes food waste, which is calculated using supplier data (measured in kg) and multiplied by an emission factor of 6.41061 CO₂e/kg (DEFRA, 2024). Category 6: Business Travel The most significant contributions to business travel emissions arise from crew repositioning with airlines other than Norse and hotel overnight stays for crew members on duty. Data is collected based on actual activity from internal sources, and emission factors for both hotels and flights are sourced from DEFRA in 2024 for the relevant countries. Category 13: Downstream Leased Assets Norse leases its aircraft through ACMI agreements, where Norse (the lessor) retains ownership of the aircraft but does not exercise operational control. The fuel emissions for ACMI flights are calculated based on actual fuel burn, applying the same principles used in Scope 1.							
	</							

5.4	Sustainability statement Environmental information		Contents →	Year in review	Sustainability statement		Corporate governance	Financial								
2.4 ESRs E2 Pollution																
2.4.1 General																
As described under Impacts, risks and opportunities, the Company has identified the negative impact on the environment of NO_x emissions to air from jet fuel combustion as a material IRO. The level of NO_x emissions per unit of jet fuel depends on operating conditions such as pressure, temperature and air-to-fuel ratio, while the main driver of NO_x emissions is the amount of jet fuel consumed. Hence the drivers behind the business' negative impact in relation to NO_x emissions are the same as for the negative impact on climate change.																
2.4.2 Policies related to pollution																
The Company has not yet established formal policies specifically addressing pollution. This absence of policies is related to the fact that the Company has not adopted a transition plan and perceives limited opportunities for action due to its modern fleet and the current lack of alternative technologies. For further details, please refer to section 2.3.4 "Current state and room for action" above.																
2.4.3 Actions and resources related to pollution																
Under E1 Climate change, the Company has described its targets and actions on lowering the GHG emission footprint of its operations. There are three such paths of targets and actions: • Lowering the footprint per unit • Optimizing flying patterns • Implementing sustainable aviation fuel																
2.4.4 Metrics and targets																
The Company has not yet set any specific targets on reduction of gross NO_x emissions and has hence no targets related to climate change mitigation and adaptation. The requirements of such targets as set forth by the ESRs E2 Pollution are: As already described, the Company will pursue a general strategy of lowering emissions per unit of Revenue Passenger Kilometre (RPK) by following the described actions of improving load factors, flying patterns and following expected phases in plans for new aircraft.																
2.4.5 E2 Environmental data																
The following tables present key environmental data related to ESRs E2 Pollution. Details on methodology and assumptions are provided under E2 accounting policies.																
Air pollution per pollutant																
The following table presents the Company's emissions of pollutants to air listed in Annex II of Regulation (EU) No 168/2013, as amended, and of the Council.																
<table><thead><tr><th>Air pollution</th><th>Unit</th></tr></thead><tbody><tr><td>NO_x emissions</td><td>Tonnes</td></tr><tr><td>SO_x emissions</td><td>Tonnes</td></tr><tr><td>CO emissions</td><td>Tonnes</td></tr></tbody></table>									Air pollution	Unit	NO _x emissions	Tonnes	SO _x emissions	Tonnes	CO emissions	Tonnes
Air pollution	Unit															
NO _x emissions	Tonnes															
SO _x emissions	Tonnes															
CO emissions	Tonnes															

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2.4.6 E2 Accounting principles

The tables presented in the following represent the policies on methodology and assumptions used for reporting ERSR E2 environmental data.

Area	Description
NO _x emissions (tonnes)	Reported nitrogen oxides (NO_x) emissions include emissions generated through jet fuel burn in own operations. NO_x emissions are calculated on the fuel consumption (fuel burn in kg) and are based on the same data as scope 1 emissions, multiplied by emissions factor (0.0148) from the Eurocontrol recommended values for jet fuel (kerosene). Several factors that can impact NO_x emissions, including engine design, flight conditions, and operational practices. As of now, the Company does not possess the technology to accurately calculate NO_x emissions for each individual flight. Consequently, our emissions assessments are based on fuel consumption, which is considered to provide a reasonable approximation of air pollution levels at this stage.
SO _x emissions (tonnes)	Reported emissions include emissions generated through jet fuel burn in own operations. Emissions are calculated on the fuel consumption (fuel burn in kg) and are based on the same data as scope 1 emissions, multiplied by emissions factor (0.00084) from the Eurocontrol recommended values for jet fuel (kerosene).
CO emissions (tonnes)	Reported emissions include emissions generated through jet fuel burn in own operations. Emissions are calculated on the fuel consumption (fuel burn in kg) and are based on the same data as scope 1 emissions, multiplied by emissions factor (0.00325) from the Eurocontrol recommended values for jet fuel (kerosene).

2.5 Taxonomy-aligned KPIs

2.5.1 Accounting principles

Norse has implemented the EU Taxonomy disclosure such as set forth by the EU Regulation 2020/852 and the Delegated Acts. The regulation establishes the criteria to determine whether an economic activity qualifies as environmentally sustainable, and it also specifies quantitative economic performance indicators to disclose the degree of sustainability.

The activities defined to be eligible under the EU Taxonomy regulations are listed within the delegated acts and the list of such eligible activities continues to evolve over time. Norse has in its reporting included all activities listed within the delegated acts up until the release of the report.

Activities of the entity should be identified as either "Taxonomy-eligible" activities or "Taxonomy-non-eligible" activities. "Taxonomy-eligible" activities should furthermore be analyzed as to whether they are "aligned" or not. An activity is considered as "Taxonomy-eligible" if it is described in the regulation, irrespective of whether it complies with the technical screening criteria. An activity is "Taxonomy-aligned" if it contributes substantially to one or more environmental objectives, does no significant harm to any of the other objectives ("DNSH criteria"), and is carried out in compliance with minimum safeguards.

The EU Taxonomy has defined three key performance indicators ("KPIs") to be reported for the entity's economic activities. These KPIs are Turnover, CapEx and OpEx, which are to be specified

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on each identified economic activity within each of the categories "Taxonomy-aligned", "Taxonomy-eligible-non-aligned" and "Taxonomy-non-eligible".

Based on an evaluation of the Company's economic activities, Norse has identified the following "Taxonomy-eligible" activities are in scope of the EU Taxonomy:

- Passenger and freight air transport (associated with NACE codes H51.1 and H51.2.1)
- Leasing of aircraft (associated with NACE code N77.3.5)
- Manufacturing of aircraft (associated with NACE code C33.1.6)

None of the above "Taxonomy-eligible" activities currently meet the technical screening criteria set forth by the EU Taxonomy, resulting in all of the "Taxonomy-eligible" activities being reported as "Taxonomy-eligible-non-aligned". The Company's current fleet of aircraft could in principle meet the technical screening criteria of all of the above "Taxonomy-eligible" activities in the future, provided that the aircraft are operated with a minimum share of sustainable aviation fuels (SAF) such as prescribed by the EU Taxonomy at the time.

Compared to the 2023 numbers of turnover, CapEx and OpEx reported a part of the 2023 reporting on Taxonomy-aligned KPIs, the 2023 comparable numbers presented in this report are re-calculated for them to be presented on a comparable basis of the 2024 numbers, considering that "Taxonomy-eligible" economic activities have changed from 2023 to 2024. The KPI CapEx also is updated to reflect the fact that the 2023 comparable numbers of capital expenditure as presented in the 2024 Financial Statements are slightly re-stated.



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57	2.5.2 Taxonomy-aligned turnover The scope of each of the Company's "Taxonomy-eligible" economic activities are naturally aligned with how the Company itself manages its business activities, cf. note number 4.1 on specification of the Company's revenues. The Company has defined revenue for the KPI Turnover in accordance with IAS 1.82 letter (a) such as prescribed by the EU Taxonomy delegated acts. With reference to note number 4.1, the Company has allocated revenue to economic activities such as in the following: Activities being "Taxonomy-eligible-non-aligned": • Passenger and freight air transport: Total passenger revenue across airfare and ancillary, cargo revenue and charter revenue • Leasing of aircraft: Lease income • Manufacturing of aircraft: Other revenue The above activities are all activities generating revenue streams for the Company, and together the activities cover all revenue of the Company in the reporting period. The total turnover reported will therefore reconcile with the total revenue of the Consolidated financial statements as reported in <u>note 4.1</u> of those statements. Activities being "Taxonomy-non-eligible": • None	2.5.3 Taxonomy-aligned CapEx The Company has defined capital expenditure for the KPI CapEx in accordance with the guidance prescribed by the EU Taxonomy delegated acts. Specifically, relevant CapEx has been extracted as additions made during the Period to assets in scope of IAS 16, IAS 38 and IFRS 16. The Company has allocated additions under these standards to economic activities under the following principles: • Additions of ROU aircraft parts under IFRS 16: These additions are relevant for the "Taxonomy-non-aligned" activity passenger and freight air transport. Additions have been allocated directly to this activity • Additions of aircraft parts under IAS 16: These additions are relevant for the "Taxonomy-non-aligned" activities passenger and freight air transport. Additions have been allocated directly to this activity • Additions of other tangibles under IAS 16: These additions consist of cabin equipment and vehicles, relevant for the "Taxonomy-non-aligned" activity passenger and freight air transport. Additions have been allocated directly to this activity • Additions of software intangible assets under IAS 38: These additions are equally relevant for all activities of the Company. Additions have been allocated to all economic activities in accordance with the relative size of revenue of passenger and freight air transport, Leasing of aircraft and Manufacturing of aircraft The total CapEx reported will reconcile with the totals of 2024 additions such as reported in the notes 11.2 and 12 of the disclosures of the Company's Consolidated Financial Statements.					
		2.5.4 Taxonomy-aligned OpEx The Company has defined operational expenses for the KPI OpEx in accordance with the guidance prescribed by the EU Taxonomy delegated acts. The scope of relevant expenses is relevant for the Company has found that the line item "Technical maintenance" of the Consolidated Statement of Comprehensive Income is the only item of expenses relevant to the KPI OpEx. Expenses are relevant for the two "Taxonomy-non-aligned" activities passenger and freight air transport and leasing of aircraft. Expenses have been allocated to these activities based on direct allocation in accordance with consumption of direct costs. The total OpEx reported will reconcile with the 2024 line item "Technical maintenance" of the Company's Consolidated Statement of Comprehensive Income.					

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Financial year 2024																					
Economic Activities (1)			Code (2)		Turnover (3)			Substantial Contribution Criteria						DNSH criteria						Proportion of Taxonomy-aligned Turnover 2023 (18) (A.1.) or -eligible (A.2.)	
Turnover					TUSD	%	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	%	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
None		-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
Of which enabling		-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
Of which transitional		-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Passenger and freight air transport	CCM 6.19	561,270	95.4%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	0.7%	
Leasing of aircraft	CCM 6.18	18,805	3.2%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	7.5%	
Manufacturing of aircraft	CCM 3.21	8,031	1.4%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	1.8%	
Turnover of Taxonomy-eligible but not aligned activities (A.2)		588,106	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		588,106	100.0%																		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Turnover of Taxonomy-non-eligible activities		-	0.0%																		
Total		588,106	100.0%																		
Abbreviations																					
Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective																					
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective																					
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective																					
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Abbreviations

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

Financial year 2024

[illegible]

Abbreviations

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

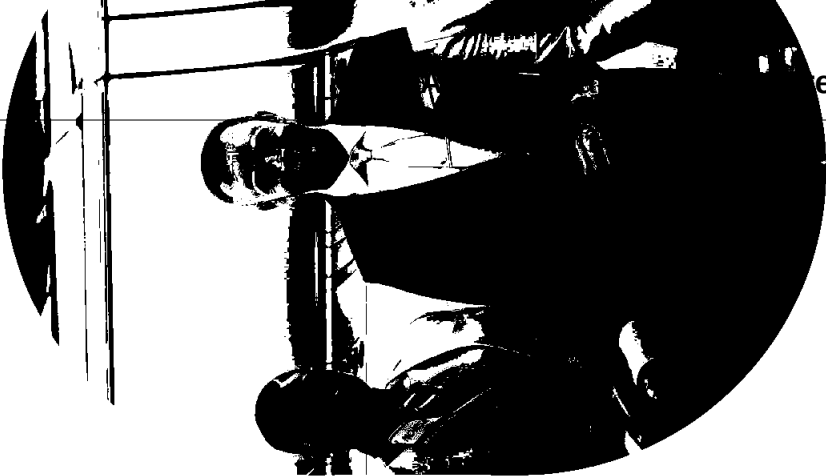
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60	Sustainability statement		Environmental information		Contents	→	Year in review	Sustainability statement												Corporate governance	Financial													
Financial year 2024																																		
Economic Activities (1)			Code (2)		OpEx (3)		Substantial Contribution Criteria						DNSH criteria						Proportion of Taxonomy-aligned OpEx 2023 (18) (A.1.) or -eligible (A.2.)															
OpEx					TUSD		Climate Change Mitigation (5)		Climate Change Adaptation (6)		Water (7)		Pollution (8)		Circular Economy (9)		Biodiversity and ecosystems (10)		Climate Change Mitigation (11)		Climate Change Adaptation (12)		Water (13)		Pollution (14)		Circular Economy (15)		Biodiversity (16)		Minimum Safeguards (17)			
							Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		Y ; N ; N/EL		%	
A. TAXONOMY-ELIGIBLE ACTIVITIES																																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																																		
None					-		0.0%		-		-		-		-		-		-		-		-		-		-		-		0.0%			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)					-		0.0%		-		-		-		-		-		-		-		-		-		-		-		0.0%			
Of which enabling					-		0.0%		-		-		-		-		-		-		-		-		-		-		-		0.0%			
Of which transitional					-		0.0%		-		-		-		-		-		-		-		-		-		-		-		0.0%			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																																		
Passenger and freight air transport			CCM 6.19		83,504		98.7%		N		N/EL		N/EL		N/EL		N/EL		-		-		-		-		-		-		0.0%			
Leasing of aircraft			CCM 6.18		1,124		1.3%		N		N/EL		N/EL		N/EL		N/EL		-		-		-		-		-		-		0.0%			
Manufacturing of aircraft			CCM 3.21		-		0.0%		N		N/EL		N/EL		N/EL		N/EL		-		-		-		-		-		-		0.0%			
OpEx of Taxonomy-eligible but not aligned activities (A.2)					84,629		100.0%		-		-		-		-		-		-		-		-		-		-		-		0.0%			
A. OpEx of Taxonomy-eligible activities (A.1+A.2)					84,629		100.0%																											
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																																		
OpEx of Taxonomy-non-eligible activities					-		0.0%																											
Total					84,629		100.0%																											
Abbreviations																																		
Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective																																		
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective																																		
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective																																		
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2.5.5 Nuclear and fossil gas related activities

The table below describes the Company's engagement in nuclear and fossil gas related activities.

Nuclear energy related activities			Fossil gas related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.		4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.		5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades		6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	



Chapter 3

Social Information

3.1 Norse's commitment

Norse aims to be a model corporate citizen, operating in accordance with responsible, ethical, sustainable and sound business principles. Norse is driven by a commitment to people, seeing to the well-being of our customers, colleagues, the people of our suppliers and the broader community. We adhere to responsible, ethical, and sustainable business practices while fostering a culture of diversity and inclusion.

3.2 Impacts, risks and opportunities

The Company has assessed actual and potential impacts on its own workforce, as well as risks and opportunities in relation to its own workforce. By the end of the Reporting Period, Norse had 1,121 employees as well as 48 contractors, consisting of cabin crew, pilots, engineers, aircraft maintenance personnel, and office-based employees. Further, the Company has assessed how interests, views and rights

of its value chain workers could be materially impacted by the undertaking. Workers in the value chain consisting of a wide range of employee categories, some material groups being those working in ground operations, maintenance activities, catering and hotels. As presented in chapter 1, Norse has identified three material IROs within ESRS S1 Own workforce, and three IROs within ESRS S2 Workers in the value chain.

3.2.1 IROs associated with ESRS S1 Own workforce

Description	IRO category	Value chain location
Working time of own workforce Working time exceeding normal working hours during operational disturbances etc, leading to employee fatigue and reduced well-being	Potential negative impact	Own operations
Work-life balance of own workforce Employees negatively affected by burden of inconvenient working hours and over-night stays away from home	Potential negative impact	Own operations

Diversity
Increasing area of possibilities through global perspective on recruitment in a tight labor market and opening for broader business perspectives

3.2.2 IROs associated with ESRS S2 Workers in the value chain

Description	IRO category	Value chain location
Secure employment Risk of employees of suppliers working as temps, without contracts or with low protection of employment (ground handling, cleaners, catering, hotels, textiles)	Potential negative impact	Upstream
Working time Risk of employees in services such as ground handling, catering, hotel services and cleaning working too long hours	Potential negative impact	Upstream
Adequate wages Risk of wages not meeting minimum local standards for the profession, or hindering minimum quality of life	Potential negative impact	Upstream

3.3 ESR S1 Own workforce

3.3.1 Culture

At Norse, 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 this contributes to a fruitful employee employer relationship.

Team Norse has collectively pinpointed three fundamental values that we embody and believe will provide us with a competitive edge. These values are Inclusive, Ownership and Kindness. By being inclusive, we contribute towards the goal that everyone shall recognize the feeling of belonging, supported by involvement and transparent communication. This way our colleagues will feel recognized and empowered, while boosting their self-esteem. By taking ownership and personal responsibility for the success and delivery of our targets, we ensure that we exceed our goals and drive profitability through maximizing revenue and cost-control. By showing kindness, we create an atmosphere where people are respected, valued, and free to be themselves so they can represent Norse with a genuine smile. By living our values, working toward similar goals, building relationships, finding meaning and pride in the work that we do, we aim to deliver great customer experiences.

3.3.2 Policies

At Norse, prioritizing the wellbeing of our employees is paramount. To this end, we have implemented a set of policies that cover various aspects of our business. Certain key elements of employee care are directly derived from laws and regulations, while others stem from the Company's core philosophies, though not necessarily formalized into policies. For instance, since the Company's creation, it has been our principle to directly employ all our staff. As a result, Norse's workforce primarily comprises employees, with non-employees engaged only for specific roles within the maintenance organization and certain administrative positions due to local labor market constraints or the Company's temporary needs.

Furthermore, Norse has always supported union representation, believing it contributes to a constructive employee-employer dynamic. From the beginning, management has taken a proactive approach towards unions, aiming for collaboration and the early establishment of collective bargaining agreements.



Being an airline, safety is a primary focus for Norse, and the Company has in place health and safety (H&S) procedures required by all applicable laws and regulations. Norse ensures everyone working for or on behalf of Norse to ask questions and raise concerns about any misconduct relating to our operations that should be prevented or corrected. The Company's policies relating to a violation of law or other regulations, conduct contrary to the Code of Conduct or internal policies or procedures, and/or conduct contrary to norms that are widely accepted in society, such as norms relating to life and health, unsafe working environment, or people's safety, are clearly defined and communicated to all employees.

Sustainability statement	Social information	Contents	→	Year in review	Sustainability statement	Corporate governance	Financial
6.4 Sustainability statement Social information	breach. As part of Norse's safety regulations, the reporting system also includes health, safety and sub-optimal working conditions. HSE is at the very core of operating an airline, whereas it also is at the center of attention of regulators and the whole industry itself. Due to the extensive regulations and industry-wide practices in this area, the Company has decided not to elevate it as a separate material IRO in the sustainability statement, despite its fundamental importance. Norse operates in an international business and working environment and does believe in fostering a culture of diversity and inclusion. Norse adheres to all relevant laws and regulations regarding equality and non-discrimination. Our Anti-harassment policy, referenced below, includes a dedicated chapter on non-discrimination. We believe in setting a positive example through our actions, and we aim for equality and non-discrimination to be inherent in our culture and business practices. The following explicit policies are established with effect for the people area: • Personnel handbook at Norse Employee Center • Code of conduct • Anti-harassment policy • Anti-bullying policy • Workplace violence policy • Whistleblowing policy • Global travel to work guidelines • Positioning travel policy • Operations manual Norway AOC • Operations manual UK AOC	The IROs Working hours of own workforce and Work-life balance of own workforce are most closely associated with the policies Global travel to work policy, Positioning travel policy and Operations manuals. The IRO Diversity is closely associated with the Anti-harassment policy. The operations manuals is an extensive document established as part of the requirements for holders of an Air Operator's Certificate (AOC), and every flight shall be conducted in accordance with the manual. The Norway AOC Operations manual is issued in accordance with all applicable regulations of European Union Aviation Safety Agency (EASA), whereas the UK AOC Operations manual is issued in accordance with all applicable regulations of UK Civil Aviation Authority (UK CAA). Both manuals also comply with national regulations as well as terms and conditions of the respective AOCs. The Operations manuals provide a wide set of policies for personnel, assets and systems, and are to be complied with to ensure the safety of the employees and the flying public. The Operations manuals have implications for the larger majority of the Company's employees, and people-related areas where the manuals provide policies include, but are not limited to, topics such as training of personnel, flight crew number and composition, roles and responsibilities, health precautions, fatigue risk management, flight time limitations, rest periods and cabin safety. The Operations Manual functions as the Company's accident prevention policy, while the Centrik system and procedures provide a supportive management system.	→	Year in review	Furthermore, Norse has entered into, or is in the process of entering into, Collective Bargaining Agreements (CBAs) with its airborne personnel, who represent the vast majority of its employees. The CBAs secure a wide set of additional policies regulating the working life of airborne personnel similar to employment, promotions, base salaries, variable pensions, leaves, pensions and more. In summary, our aim is for our policies and business standards, such as the UN Guiding Principles on Business and Human Rights. We ensure that all Norse employees receive adequate wages in accordance with applicable benchmarks. Moreover, the Company has established remuneration for executive personnel and board members. These are detailed further in the Corporate Governance section of the annual report. 3.3.3 Engagement with own workforce In Norway, Norse has established a Working Environment Committee (WEC) with representatives from the employee union, seeking jointly to implement a positive working environment. A similar organ of employee-employer cooperation on working environment is established in the UK. Airborne personnel of the Group are subject to, or in the process of having, collective bargaining agreements (CBAs), a widespread dialogue and cooperation with the workers' representatives from the unions, seeking to ensure a decent	Corporate governance	Financial

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	conditions for the Group's employees. There are monthly meetings between union representatives and Company representatives of HR and Operations.						
	The Company is not subject to the requirements for engaging with a European Works Council; therefore, no agreement has been established with its employees for representation by such a council.						
	The Company has established forums for dialogue and cooperation with employees, adhering to best practices and legal requirements within various jurisdictions. Additionally, the Company regularly conducts surveys among employees to gain insight into their perspectives, enabling management to make informed decisions.						
	On a monthly basis there are general meetings / town hall meetings open for the participation of all employees of the company, either on site or electronically, allowing for management to share status on the status and further plans of the business, as well as for employees to engage in direct dialogue with management during Q&A sessions.						
	At the Board of Directors of the parent company Norse Atlantic ASA, three out of eight board members are elected by and among the employees of the Group, hence strengthening employee perspectives and influence on key decision making of the Company.						
	The most senior role within the Company with operational						

Sustainability statement Social information		Contents	→	Year in review	Sustainability statement	Corporate governance	Financial						
66	employees as managers live the values of Norse. As part of procedures of fatigue management, Norse on a regular basis conduct surveys among airborne personnel and shift-exposed personnel to measure and mitigate any systematic fatigue issues. Further to this, the Norse compliance team performs yearly audits reviewing the compliance with flight time limitations and fatigue risk management with results being reported to management via the airline accountable manager. Work-life balance of own workforce While aiming to take care of our people, the nature of the business comes with a burden of inconvenient working hours and rest time that includes overnight stays away from home for the airborne personnel. Norse aims to provide a good work-life balance for its employees, both improving the quality of life while away from home, as well as securing sufficient time at home, while facilitating operations to be organized in a way allowing for the Company to maintain the necessary cost competitiveness. The Operations manual defines time limits of duty, leaving a corresponding space for time off duty. The manual defines that duty plans for each calendar month shall be published by the date of the fifteenth of the month prior to the duty period, allowing for a certain level of predictability. Additionally, Collective Bargaining Agreements (CBAs) either established or in process of being established for all airborne personnel, although somewhat varying in structure between jurisdictions, typically defines minimum requirements for minimum number of days off per month as well as minimum number of vacation days.	Norse has established positioning travel policies allowing for some flexibility in travel routes for personnel residing outside of their home base, in turn saving time and cost for such airborne staff. Representatives of the airborne personnel are members of a hotel committee selecting appropriate hotels to accommodate personnel while having rest time that includes overnight stays away from home, allowing hotels not only to meet requirements regarding criteria such as cost and security, but also for them to be at a certain convenience of the staff. Diversity At Norse we believe in fostering a culture of diversity and inclusion, whereas embracing diversity enriches our organization, making us stronger and more resilient. Operating in an industry that comes with strict requirements regarding physical abilities for a wide range of roles, it is to a large extent challenging to allow for the inclusion of people with disabilities. On other aspects we believe Norse has delivered well on its efforts on diversity, now seeing that Norse global perspective on recruitment has resulted in a Norse workforce representing around 40 different nationalities. We believe that the diversity of Norse represents a positive impact on the working environment of Norse, and also that it represents an opportunity well explored – both as a wider set of perspectives have been brought into the business, generating additional business value, but also that a global perspective on geographic sources of recruitment has resulted in the possibility of bringing great talent to locations where the labor market has been scarce on certain specialist capacities.											
	3.3.5 Metrics and targets												
	Although committed to continuously being focused on improvements to the working conditions of our own Norse has not yet set any specific targets related to material sustainability topics for its own workforce.												
	3.3.6 S1 Social data												
	Number of employees split by gender												
	<table><tr><th>Gender</th></tr><tr><td>Male</td></tr><tr><td>Female</td></tr><tr><td>Total number of employees</td></tr></table>							Gender	Male	Female	Total number of employees		
	Gender												
	Male												
	Female												
	Total number of employees												
Number of employees split by country													
<table><tr><th>Country</th></tr><tr><td>Norway</td></tr><tr><td>UK</td></tr><tr><td>US</td></tr><tr><td>France</td></tr><tr><td>Latvia</td></tr><tr><td>Total number of employees</td></tr></table>							Country	Norway	UK	US	France	Latvia	Total number of employees
Country													
Norway													
UK													
US													
France													
Latvia													
Total number of employees													

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Number of employees by contract types and gender

Reporting period 2024

	Female	Male	Total	Unit
Number of permanent employees (head count)	431	621	1,052	Number of employees who have left the undertaking
Number of temporary employees (head count)	27	22	49	
Number of non-guaranteed hours employees (head count)	3	17	20	
Total number of employees (head count)	461	660	1,121	
Number of full-time employees (head count)	448	634	1,082	Including in the number of employees who have left 73 employees of the flight crew being on temporary during the peak summer season and hence deemed to both join and leave the Company within the same year. If such temporary contracted employees were calculation, employee turnover rate would have been
Number of part-time employees (head count)	13	26	39	
Total number of employees (head count)	461	660	1,121	

Number of employees by contract type and region

Reporting period 2024

	Norway	UK	US	France	Latvia	Total
Number of permanent employees (head count)	340	360	226	125	1	1,052
Number of temporary employees (head count)	37	1	-	11	-	49
Number of non-guaranteed hours employees (head count)	15	-	5	-	-	20
Total number of employees (head count)	392	361	231	136	1	1,121
Number of full-time employees (head count)	363	356	226	136	1	1,082
Number of part-time employees (head count)	29	5	5	-	-	39
Total number of employees (head count)	392	361	231	136	1	1,121

Non-employees in own workforce

Number of non-employees in own workforce - self-employed people	
Number of non-employees in own workforce - people provided by undertakings primarily engaged in employment activities	
Total number of non-employees in own workforce	

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Employees per country covered by collective bargaining agreements and workers' representatives

	Unit	2024
Percentage of total employees covered by collective bargaining agreements		
Collective bargaining agreements: Total	%	76%
Collective bargaining agreements: Norway	%	81%
Collective bargaining agreements: UK	%	88%
Collective bargaining agreements: US	%	93%
Collective bargaining agreements: France	%	0%

Employees covered by workers' representatives

Employees covered by workers' representatives: Total	%	76%
Employees covered by workers' representatives: Norway	%	81%
Employees covered by workers' representatives: UK	%	88%
Employees covered by workers' representatives: US	%	93%
Employees covered by workers' representatives: France	%	100%

Process is ongoing for a collective bargaining agreement (CBA) to be established also for most employees in France, but whereas such process is yet to be concluded.

There are separate collective bargaining agreements per country and separately per category of employees, such as cabin crew, pilots, engineers and technical staff.

As the Company is not allowed to keep records of individual union memberships, employee representation is reported based on union affiliations. This approach is deemed a reasonable estimate, as employees within groups covered by unions that engage with the Company have the opportunity for representation with the union. Additionally, three out of the eight board members of the parent company serve as employee representatives, elected by the employees from within the organization.

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Activity statement	Corporate governance	Financial
Employees inside and outside of EEA covered by collective bargaining agreements and social dialogue		
Coverage Rate	Collective bargaining Employees-EEA	Employees-EEA
0-19%		213
20-39%		-
40-59%		-
60-79%		-
80-100%		316
Gender distribution top management		
		Unit
Male		Number
Female		Number
Male		%
Female		%
Age distribution of employees		
All employees per age group, head count		
Unit		
Under 30 years		Number
30 – 50 years		Number
50 years and above		Number
Under 30 years		%
30 – 50 years		%
50 years and above		%

3.4 ESR S2 Workers in the value chain

3.4.1 General

Norse collaborates with numerous suppliers and business partners globally. Norse's key supply chains can be categorized into several areas: aircraft leasing including main components, aircraft maintenance services, jet fuel supplies, ground handling, catering, and airport and air traffic services. Norse's first-tier suppliers are primarily located in Europe and the United States. Generally, we believe that certain risks of negative impact on workers in the value chain, such as job security and adequate wages, are more prevalent in the US compared to Europe.

3.4.2 Policies

Norse is committed to respecting fundamental human rights and decent working conditions. This includes internationally recognized human rights that are enshrined, among other places, in the International Covenant on Economic, Social and Cultural Rights of 1966, the International Covenant on Civil and Political Rights of 1966 and the ILO's core conventions on fundamental principles and rights at work, as well work that safeguards health, safety and environment in the workplace, and that provides a living wage.

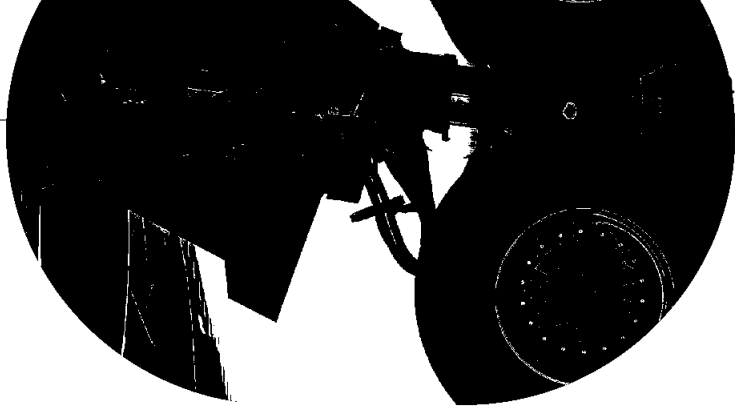
Norse abides by the OECD Guidelines for Multinational Enterprises and United Nations Guiding Principles on Human Rights and expects our Suppliers and Business Partners to do the same.

On the policy side Norse has established a Supplier Code of Conduct establishing a set of requirements for our suppliers and

business partners, anchored to the internationally recognized instruments as mentioned above. The policy sets the standards expected by Norse to be complied with within a range of areas, including human rights and decent working conditions, which includes, but is not limited to:

- Safe, healthy and secure workplace
- Reasonable working hours and living wages
- Non-discrimination
- Prohibition of forced labour
- Prohibition of child labour
- Freedom of assembly and association

Norse seeks to integrate the Supplier Code of Conduct into all major new supplier contracts unless the suppliers adhere to codes of similar standards, as well as communicating the policy to all major existing suppliers. The Supplier Code of Conduct is



Sustainability statement	Social information	Contents	→	Year in review	Sustainability statement	Corporate governance	Financial
	made publicly available at the corporate section of the Company's website www.flynorse.com .	workers or their representatives. Audits performed by the Norse compliance team, which may also imply site visits, will imply a certain direct engagement with value chain workers.	→	Year in review	Sustainability statement	Corporate governance	Financial
	Norse's Global Procurement & Supply Chain department facilitates due diligence procedures during the selection of key suppliers, with a primary focus on safety aspects that arise from industry requirements. Selection of key suppliers may involve site visits, also allowing Norse to consider the safety and general working conditions at the supplier's premises.	Currently, Norse has not established separate channels or procedures for value chain workers to directly raise concerns about negative impacts with the Company. The Norse Supplier Code of Conduct mandates that suppliers enable their employees to report any behavior that contravenes the policy and requires suppliers to report these matters to Norse. The Supplier Code of Conduct explicitly states that employees who report concerns must be protected from retaliation. Consequently, Norse depends on the channels and procedures established by its suppliers to address these matters.	→	Year in review	Sustainability statement	Corporate governance	Financial
	For ongoing service deliveries from key suppliers within all operational areas such as maintenance, ground handling, engineering and flight operations, the Norse compliance team, in accordance with a yearly audit plan, performs audits looking after there being adequate compliance with regulation and procedures in several areas, and also including areas such as safety training, working hours and general working conditions. Such audits represent an important opportunity to address and mitigate any adverse human rights impact.	The aviation industry in general is engaged in fostering a Just culture, which is a concept related to systems thinking which emphasizes that mistakes are generally a product of faulty organizational cultures, rather than solely brought about by the person or persons directly involved. A just culture helps create an environment where individuals feel free to report errors and help the organization to learn from mistakes. Norse puts emphasis on fostering a strong Just culture across its operations and key supply chains, encouraging reporting of incidents and concerns.	→	Year in review	Sustainability statement	Corporate governance	Financial
	3.4.3 Engagement with value chain workers Norse has not established or planned to establish a specific process of engaging directly with the value chain workers of the Company. Norse manages its relations with key suppliers through the support and procedures of its Global Procurement & Supply Chain department in collaboration with the functional managers. Such procedures and supplier selection processes will include assessments of the suppliers' ability to meet with the requirements of the Supplier Code of Conduct policy. The process normally will not include direct engagement with the value chain		→	Year in review	Sustainability statement	Corporate governance	Financial
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			→	Year in review			

Chapter 4

Governance Information

4.1 Norse's commitment

Norse is committed to being a good corporate citizen. Norse aims to lead by example and operate in accordance with responsible, ethical, sustainable and sound business principles, with respect for people, the environment and society.

4.2 Impacts, risks and opportunities

Running a long-haul airline operation such as Norse's in its nature implies the business to be carried across several geographical locations and jurisdictions, engaging in relationships with a wide set of stakeholders. Norse was founded in 2021 and commenced commercial operations in 2022. By the end of the reporting period the Company has offices in the US (Fort Lauderdale), Norway (Arendal and Oslo), UK (London Gatwick), Latvia (Riga, under establishment) and France (Paris), and employs airborne crew, with crew bases in the US (Miami and New York), Norway (Oslo), UK (London Gatwick) and France (Paris).

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4.2.1 IROs associated with ESRs G1 Governance

Description	IRO category	Value chain location
Corporate culture Growing fast and being present in various locations across varying business cultures may impose risk of not building a sufficiently uniform and strong culture supporting realization of business strategy as well as ensuring ethical sound ways of doing business	Potential negative impact	Own operations

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73	4.3 Impacts, risks and opportunities management						
	4.3.1 Business conduct policies and corporate culture						
	Corporate culture						
	Norse is committed to abide by high standards of integrity and ethics in its business conduct. Norse believes in leading by example, and that the tone at the top therefore is essential in building a strong and sound corporate culture across its organization and business relationships.						
	As a cornerstone of its culture, the Company lives its values across the three key words Inclusive, Ownership and Kindness, elaborated through the following:						
	Inclusive: "Everyone shall recognize the feeling of belonging. With involvement, recognition and transparent communication, our team will enjoy positive self-esteem and a feeling of empowerment."						
	Ownership: "Everyone is personally responsible for the success and delivery of our targets to ensure Norse exceeds its goals and drives profitability through ensuring cost leadership."						
	Kindness: "To create an atmosphere where people feel respected, valued, can be themselves, and where they can deliver our service with a genuine smile."						

The system and procedures described are primarily managed by the Company itself. If required, the nature of the issue reported, the Company would consider taking help from resources within the Company, such as legal experts. Which incidents that would require external support would be subject to judgement, but involvement of executive management personnel in incidents, of a being of high severity, such as claims of corruption or bribery could be examples of such incidents. The Company has not established any external whistleblowing channels. Outside of fostering a culture such as described above, the Company has not yet established, nor plans to establish policies on the protection of whistleblowers.

4.3.2 Management of relationships with suppliers

Managing good relationships with its suppliers and business partners is key for Norse. The suppliers and business partners of Norse typically deliver services specialized in commercial operations, and whereas the suppliers' delivery of their goods and service on time and quality for Norse in turn being able to deliver its product on time and quality to the passengers. Norse's relationships with their suppliers and business partners are therefore characterized by service deliveries and repeat purchases over longer-term periods of cooperation. Some key services of Norse will be those delivering payment services, leasing services, maintenance services, catering services, fuel services and ground handling services. The key suppliers of Norse typically are large, international corporations holding significant size and power up against that of Norse. Agreements entered into by Norse typically are a normal industry and for the category of services in question, and Norse seeks to be a good corporate citizen in its relationships with its vendors, paying both large suppliers and SMB suppliers in accordance with agreed terms.

Norse strives to include relevant ESG criteria in the process of selecting such vendors. Key criteria and business partners are often large international corporations, in turn implying they are mature in the areas of managing social and environmental matters in a responsible way, and receptive of such requirements being advocated by Norse. Some key supplier services categories such as ground handling and maintenance, are subject to strict industry regulations as super



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Sustainability statement Governance information		Contents	→	Year in review	Sustainability statement	Corporate governance	Financial
aviation authorities, in turn implying that areas such as health, safety and environment, including training and working hours for their employees are looked after.							
4.3.3 Prevention and detection of corruption and bribery The Company has established an Anti-bribery and -corruption policy (ABC policy) directed towards employees, suppliers and business partners, describing in more detail the expectations set forth by the Company in the Code of conduct and in the Supplier code of conduct. The ABC policy describes rules and policies on donations, gifts, hospitality and facilitation payments, as well as procedures for carrying out due diligence on third parties. The ABC policy is made available to employees through the Norse Intranet, and it is made available to suppliers and business partners with reference to the Supplier code of conduct. Awareness of the ABC policy is also established as it is referenced in the CoC and the SCoC. There is no specific training programs established in relation to the ABC policy. Whereas it would be natural to report any actual incidents to the governing bodies of the Company, there are currently no specific procedures in place for the reporting of such incidents, nor any plans on establishing such specific procedures.							

Signatures from the Board and the CEO

Arendal, 29 April 2025

Terje Bodin Larsen Chair of the Board (Signed electronically)	Aase Kristine Mikkelsen Member of the Board (Signed electronically)	Timothy Sanger Member of the Board (Signed electronically)
Marianne Økland Member of the Board (Signed electronically)	Bjørn Kjos Member of the Board (Signed electronically)	Bjørn Tore Larsen Chief Executive Officer (Signed electronically)
Jan Mathias Lindborg Member of the Board, employee representative (Signed electronically)	Synne-Linnea Einarsen Member of the Board, employee representative (Signed electronically)	Leif Andre Moland Member of the Board, employee representative (Signed electronically)

Corporate governance statement



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	Implementation and reporting on corporate governance Norse has established its Corporate Governance policies and practices based on the recommendations provided by Norwegian Code of Practice for Corporate Governance, as issued by The Norwegian Corporate Governance Board ('NCGB', or 'NUES' (no)). The Company is required to report on corporate governance under section 2–9 of the Norwegian Accounting Act (published on www.lovdata.no). Furthermore, as a company listed on Euronext Expand, the Company is subject to the Euronext non-harmonized rules of Oslo Stock Exchange Rule Book II, Membership and Trading rules, stating that such recommendations of NUES are to be applied. The recommendations of NUES are publicly available in its full text English version at https://nues.no/english/. Norse's Board of Directors actively adheres to good corporate governance standards and will ensure that Norse complies with the requirements of section 2–9 of the Accounting Act and the NUES Code of Practice.					
	Business The Company's Articles of Association states the following objective of the business activities: "The business of the Company is transportation and related activities, including participation in other companies with similar business, sale and purchase of shares, or in other ways engage in other companies."					
	Implementation and reporting on corporate governance Transportation activities take place in the segments of air passenger and air cargo transport primarily in the transatlantic market, and currently also in the segment of charter and wet leasing of aircraft. Further goals and strategic ambitions for the business are defined by the Board of Directors. The Company's Articles of Association are publicly available under the Investor Relations section of the Company's website www.flynorse.com.					
	Equity and dividends The Board of Directors will ensure that Norse has a capital structure that is suited for the Company to realize its strategies and reach its goals under an appropriate risk profile. Being a company still in its build-up phase, the Company's capital is focused on being deployed into the establishment and the growth of the Company's business activities, and as for now, with no stated ambition or policy on dividends. It is Norse's ambition to deliver a satisfactory return on the capital invested in the Company, and in the longer term, such return should also include cash dividends. The Company's Articles of Association do not provide authorization to the Board of Directors to issue new shares of the Company, or for the Company to re-purchase its own shares. As per 31 December 2024, the Board of Directors had a specific authorization from the General Meeting to issue new shares in a repair share offering planned to take place first quarter of 2025 after the December 2024 private placement of new shares to the Company. Further to this, the Board of Directors had a general authorization from the General Meeting to increase the Company's					
	Equal treatment of shareholders Norse has one class of share, and each share entitle to one vote. Each share has a nominal value of NOK					
	Shares and negotiability All Norse shares carry equal rights and are freely traded. No special limitations on transactions have been laid down in Norse's Articles of Association. However, Article 5 of the Association however provides special rules to apply to Company's traffic rights and/or operating licenses that are dependent on a majority of shareholders being EEA nationals. If such a special situation should occur, of Association provide certain rules on compulsory share purchase of the Company's shares held by shareholders who are not EEA nationals.					

The Public Limited Liability Companies Act's fifth chapter provides rules on the governing of the companies' General Meeting. The Company in its Articles of Association has no provisions that, in whole or in part, expand the rules, or deviate from the rules, as set forth by the beforementioned law's fifth chapter.

The Company has a Nomination Committee, elected by the General Meeting. As per the Articles of Association the Nomination Committee shall have two to four members elected by the General Meeting. The Nomination Committee currently has three members, and the General Meeting has found it appropriate for the Nomination Committee to currently be headed by the Chair of the Board of Directors. The General Meeting has provided the Nomination Committee with instructions on their mandate, guidelines for their work and rules of procedure etc. It is for the Nomination Committee to make proposals to the General Meeting on election of members to the Board of Directors, and also on the remuneration of the Board of Directors and any sub-committees to the Board of Directors. The instructions to the Nomination

The Articles of Association do not provide guidance on the election of members of the Board of Directors except stating that the number of members should be three to eight. As mentioned above, the General Meeting however, has established instructions for the Nomination Committee providing such guidance. It follows from the instructions to the Nomination Committee that the majority of the shareholder-elected members of the Board should be independent of the Company's executive management and material business contacts, and that at least two of the shareholder-elected members of the Board should be independent of the main shareholders.

The Company has established an Audit Committee with members being elected by and among the members of the Board of Directors, normally for a period of two years. The Audit Committee operates under a delegated authority of the board of directors.

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	whereas the Board of Directors has issued instructions for the work to be performed by the Audit Committee. The instructions say that the Audit Committee shall have at least two members. The Audit Committee currently has two male and one female member, and in total three members. Risk management and internal control The Board of Directors see to the governance of the Company as set forth by The Public Limited Liability Companies Act and established business practices. The Company does not currently have an internal audit function. Risk management and internal controls are established as appropriate, taking into account the size and the risk of the business activities, and the implementation of an internal audit function is being evaluated as part of this. Through its Board of Directors, the Company has adopted an anti-bribery and -corruption policy. Furthermore, the Company through its Board of Directors has adopted a code of conduct for employees and a supplier code of conduct. The Audit Committee on behalf of the Board of Directors has been provided with the task of overseeing the internal control and risk management over processes of financial reporting and sustainability reporting. The specific duties and the rules of procedure of the Audit Committee's work is set forth in the instructions provided by the Board of Directors to the Audit Committee. The Audit Committee meets as a minimum every quarter for the review of the Company's quarterly financial reports, in relation to the review of the Company's annual report, and in between such meetings whenever deemed required. The Audit Committee					should meet with the management of the Company and with the Company's elected auditor at least yearly, whereas the common practice is for representatives of the management and the auditor to attend every meeting of the Audit Committee. During the meeting cycle of the Audit Committee, topics from internal control, process risk management, financial reporting and sustainability reporting are incorporated as appropriate. Remuneration of the board of directors It is for the Nomination Committee to make proposals to the General Meeting on election of members to the Board of Directors, and also on the remuneration of the Board of Directors and any sub-committees to the Board of Directors. Members of the Board of Directors are currently not entitled to any options under the Company's long-term share option program. Disclosure on remuneration of the Board of Directors is provided in note 6.2 to the Consolidated Financial Statements. Shareholdings of the Board of Directors is provided in note 19.2 to the Consolidated Financial Statements. Remuneration of executive personnel The Board of Directors have prepared Guidelines on remuneration for executive personnel. The guidelines are approved by the General Meeting. The guidelines provide guidance on the process of determining the remuneration and the components of the remuneration. For the components, remuneration is described in terms of fixed base salary, variable remuneration, bonus scheme, long-term share option program, other benefits and pensions. Guidelines are provided for the relative composition of the various remuneration elements. Currently there is no bonus scheme	established for members of executive management. did establish a long-term share option program in May 2024. The long-term share option program is provided in the Consolidated Financial Statements. Detail on the of executive personnel is provided in note 6.1 to the Financial Statements. Detail on shares and options held by executive personnel is provided in note 19.2 to the Consolidated Financial Statements. The Guidelines on remuneration of executive personnel are publicly available under the Investor section of Company's website www.flynorse.com. Information and communications All shareholders and other financial market stakeholders be treated equally when it comes to access to financial information. The Company's Chief Financial Officer serves in function of investor relations. The investor relations function in regular contact with company shareholders, potential analysts and the financial markets in general, and the Directors is updated on these activities on a regular basis. Company seeks to gradually develop and improve its relation with the financial market such as through live or presentations of quarterly financial reports. The final for 2024 is made available under the Investor Relations Company's website www.flynorse.com. Take-overs Norse does currently not have any specific written takeover procedures to be followed in the event of a takeover. Board of Directors will however not seek to tender or make any takeover bid for the Company. If an event of a takeover

should occur, the Board of Directors will comply with relevant legislation and regulations and consult the recommendations in the NUES Code of Practice. The Board of Directors may seek advice from external advisors, e.g. for questions on legal matters and valuations. Based on the evaluations made, the Board of Directors will either recommend that shareholders accept the bid or advise them against doing so.

Auditor

Norse has elected RSM Norge AS in the role as its independent registered public accounting firm, i.e., its external auditor. The elected external auditor is independent in relation to Norse and has been elected by the General Meeting of Norse. The external auditor has been engaged to audit and to issue a report in accordance with law, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). This includes opinions on the Consolidated financial statements, the parent company financial statements of Norse Atlantic ASA such as these are presented

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in this Annual Report, and also the Company's sustainability report such as included in the Board of Directors' Report of this Annual Report. It also includes the Company's reporting of the Consolidated financial statements under the regulations of the European Single Electronic Format (ESEF). The external auditor's opinion on the Consolidated financial statements is presented as part of this Annual Report. The external auditor is also engaged by the Company in reviewing, but not expressing any formal opinion on, the interim financial reports of the Company. The external auditor is engaged in communication with management, the Board of Directors and with the Audit Committee such as advised by applicable recommendations, laws and auditing standards.

The remuneration of the external auditor is approved by the Annual General Meeting. Detail of the remuneration to the external auditor is presented in [note 7](#) to the Consolidated Financial Statements.



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Consolidated statement of comprehensive income

(in thousands of USD)		Notes	2024	2023	Notes	2024	2023
Revenue							
Revenue		4	588,106	439,436			
Operating expenses							
Personnel expenses		5, 6	(131,701)	(99,759)			
Fuel, oil and emission costs			(183,617)	(152,527)			
Airport charges and handling			(94,205)	(67,153)			
Technical maintenance			(84,629)	(66,493)			
Other operating costs			(47,151)	(33,999)			
Marketing and distribution costs			(31,724)	(23,343)			
Administrative costs		7	(15,938)	(14,143)			
Total Operating exps excl. leases, dep & amort.			(588,965)	(457,417)			
Operating profit before leases, dep & amort. (EBITDAR)			(858)	(17,980)			
Variable aircraft rentals			(8,239)	(33,139)			
Depreciation and amortization		11, 12	(87,920)	(84,103)			
Operating profit/(loss)			(97,017)	(135,223)			
Interest expenses		8	(39,019)	(34,982)			
Other financial income/(expenses)		9	962	1,603			
Profit/(loss) before tax			(135,075)	(168,602)			
Income tax		10	(379)	(144)			
Profit/(loss) for the period			(135,454)	(168,746)			

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Consolidated statement of financial position

(in thousands of USD)	Notes	31 DEC 2024	31 DEC 2023	(in thousands of USD)	Notes	31 DEC 2024
Non-current assets						
Aircraft and other tangible assets	11	824,694	898,856	Equity and liabilities		
Intangible assets	12	2,819	3,324	Equity		
Aircraft lease deposits	11, 13	16,502	16,048	Share capital	19	74,596
Other non-current assets	13, 14	32,338	17,277	Share premium		200,418
Total non-current assets		876,353	935,505	Other paid-in capital		588
				Accumulated losses		(486,170)
				Total equity		(210,568)
Current assets						
Credit card receivables	13	100,245	60,214	Non-current liabilities		
Trade and other receivables	13, 15	11,668	6,351	Lease liabilities	11, 13	136,005
Inventories	16	4,601	3,466	Shareholder loan	13, 22.2	22,056
Other current assets	13, 17	15,468	22,770	Provisions	21	3,830
Cash and cash equivalents	13, 18	22,855	54,830	Total non-current liabilities		161,891
Total current assets		154,837	147,631	Current liabilities		
				Deferred passenger revenue	13	31,289
Total assets		1,031,190	1,083,136	Trade and other payables	13	38,864
				Lease liabilities	11, 13	9,714
				Total current liabilities		79,868
						0
				Total equity and liabilities		1,031,190

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Consolidated statement of cash flow

(in thousands of USD)	2024	2023	Notes	(in thousands of USD)	Notes	2024
Cash flows from operating activities				Cash flows from financing activities		
Profit/(loss) before tax				Net proceeds from share issue		14,304
Adjustments for items not affecting operating cash flows:				Proceeds from shareholder loan		20,000
Depreciation and amortization			11, 12	Lease installments		(69,161)
Interest expenses			8	Movements in restricted cash		2,300
Interest income			9	Net interest received/(paid)		(28,187)
Share-based payments to employees			5.2	Net cash flows from financing activities		(60,745)
Income taxes paid			10			
Provisions			21	Effect of foreign currency revaluation on cash		(160)
Net operating cash flows before working capital movements				Net increase in free cash and cash equivalents		(9,675)
Working capital movements				Free cash and cash equivalents at the beginning of the period		9,330
Net cash flows from operating activities				Free cash and cash equivalents at the end of the period		9,655
Cash flows from investing activities				Restricted cash at the end of the period	18	3,200
Aircraft maintenance assets				Cash and cash equivalents at the end of the period	18	2,855
Other investments						
Net cash flows from investing activities						

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Consolidated statement of changes in equity

(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
Balance as at 1 Jan 2024	122,211,579	62,954	197,756	309	(350,716)
Profit/(loss) for the period	-	-	-	-	(135,454)
Other comprehensive income	-	-	-	-	-
Other changes in equity					
2 February 2024, share issue at USD 1.03 (NOK 11.00) per share	6,312,261	2,955	2,858	-	-
6 Dec 2024, share issue at USD 0.45 (NOK 5.00) per share	19,278,576	8,686	(196)	-	-
Share-based payments to employees	-	-	-	279	-
Balance at 31 Dec 2024	147,802,416	74,596	200,418	588	(486,770)
Balance as at 1 Jan 2023	206,084,314	29,945	162,561	-	(181,800)
Profit/(loss) for the period	-	-	-	-	(168,446)
Other comprehensive income	-	-	-	-	-
Other changes in equity					
25 April 2023, share issue at USD 0.23 (NOK 2.50) per share	60,000,002	7,030	6,177	-	-
27 April 2023, reverse share split, four shares into one	(199,563,237)	-	-	-	-
13 November 2023, share issue at USD 0.99 (NOK 11.00) per share	9,978,161	4,492	5,018	-	-
29 November 2023, share issue at USD 1.03 (NOK 11.00) per share	45,712,339	21,487	24,000	-	-
Share-based payments to employees	-	-	-	309	-
Balance at 31 Dec 2023	122,211,579	62,954	197,756	309	(350,716)

Notes to the consolidated financial statements

Note 1 General information

The consolidated financial statements of Norse Atlantic ASA ("Norse", "Norse Atlantic Airways" or the "Company") for the year ended 31 December 2024 (the "Period") were authorized for issue in accordance with a resolution of the Board of Directors passed on 29 April 2025.

Norse Atlantic Airways is a public limited company listed on the Euronext Expand Oslo. The Company was incorporated on 1 February 2021 under the laws of Norway and its registered office is Fløyveien 14, 4838 Arendal, Norway. The Company has wholly owned subsidiaries in Norway, Latvia, the UK and the USA.

Norse is a new affordable long-haul airline established in 2021 and will serve the transatlantic market with a fleet of modern and fuel-efficient Boeing 787 Dreamliners. The Company's first flight took off from Oslo to New York on June 14, 2022.

Note 2 Basis of preparation and material accounting policies

These consolidated 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 consolidated financial statements have been prepared on a historical cost basis with some exceptions, as detailed in the accounting policies below. The consolidated financial statements are presented in thousands of USD 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 consolidated financial statements are set out below. They have all been applied consistently throughout the Period.

2.1 Consolidation

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

2.2 Foreign currency translation

The functional and presentational currency of the Company is US 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 settlement of such transactions as well as from the translation at period end exchange rates of assets and liabilities denominated in foreign currencies are included in the consolidated statement of comprehensive income as other income/(expense).

2.3 Revenue recognition

Revenue comprises the amounts that reflect the consideration the Company expects to be entitled in exchange for goods or services promised to be transferred to customers in the general course of the Company's activities. Revenue is shown net of value-added taxes 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 sold in advance of the air transport taking place are recognized when payment at or shortly after the time of sale, but which payment is partly delayed until time of transport with any refund being made by credit card acquirers for security reasons. Between the time of sale and time of air transport, the amounts collected from the company are held in escrow.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The aircraft lease payments have been discounted using the rate implicit in the lease. The calculation of the discount rate is done separately. The calculation of the discount rate is based on information within the lease agreement. The lease liability is subsequently measured at the carrying amount to reflect interest on the lease liability (effective interest method) and by reducing the carrying amount of the lease liability by the payments made.

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the lease payments made. The lease liability is presented as a separate line in the consolidated 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 Provisions, Contingent Liabilities and Contingent Assets. 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 Impairment of Assets to determine whether a ROU is impaired and accounts for any identified impairment loss in its consolidated statement of comprehensive income.		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.				
2.6 Property, plant and equipment Property, plant and equipment (PPE) 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 consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.		2.8 Inventory Inventory of spare parts are carried at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method. Inventory includes aircraft parts which are consumables and non-consumables.				
2.5 Intangible assets Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. 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		2.9 Provisions Provisions are recognized when the Company has a present obligation (constructive) obligation as a result of a past event and it is probable that the Company will be required to settle the obligation. The amount of a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the time value of money and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax discount rate to the liability. The increase in the provision resulting from the time is recognized as a finance cost. Refer to note 1.6 for aircraft maintenance provisions.				

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2.10 Segment reporting The Chief Operating Decision Makers ('CODM') currently reviews the Company's activities on a consolidated basis as one operating segment. Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the CODM. The CODM is responsible for the allocation of resources to operating segments and assessing their performance. The segment reporting is based on the accounting policies such as they are described in these notes. 2.11 Earnings per share Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For diluted earnings per share, diluted potential ordinary shares are determined independently for each period presented. When the number of ordinary shares outstanding changes (e.g. share split) the weighted average number of ordinary shares outstanding during all periods presented is adjusted retrospectively. 2.12 Consolidated statement of cash flows The Company's consolidated 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.							
2.13 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 linked to items that are not tax deductible • 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 measured on the basis of the expected future tax rates applicable to the legal entities within the Norse group where temporary differences have arisen. Deferred tax and deferred tax assets are recognised at their nominal value and classified as non-current asset investments (long-term liabilities) in the consolidated statement of financial position. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.							
2.14 Critical accounting estimates and judgments Preparation of the Company's consolidated financial statements management and the board to make estimates, judgments, contingencies that affect the reported amount of revenue, expenses, liabilities, as well as the accompanying disclosures. Managementally evaluates its judgements and estimates in relation to contingencies, liabilities, revenue and expenses. Management judgements, estimates and assumptions on historical experience about various factors, including expectations of future events, management believes to be reasonable under the circumstances. About these estimates, judgments and assumptions could be outcomes that require a material adjustment to the carrying assets or liabilities in future periods. Estimation of useful lives of assets The consolidated entity determines the estimated useful lives related depreciation and amortisation charges for its property, equipment and finite life intangible assets. The useful lives significantly as a result of technical innovations in some of the lives are less than previously estimated lives, or technically non-strategic assets that have been abandoned or sold will or written down. Impairment of assets The consolidated entity assesses impairment of non-financial other indefinite life intangible assets at each reporting date under conditions specific to the consolidated entity and to the parent that may lead to impairment. If an impairment trigger exists, the amount of the asset is determined. The recoverable amount on third party valuations, or management calculations. Management calculation of fair value less costs of disposal or value-in-use several key estimates and assumptions.							

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92	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 consolidated 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.						
		Financial forecasts As basis for evaluation of the going concern assumption, the Company prepares financial forecasts simulating future financial performance of the Company under a wide set of assumptions. Forecasts include, but are not limited to, factors such as degree of commercial success expressed in achieved load factors and fares, and the future development of jet fuel prices. In assessing the going concern assumption, the Company has performed sensitivity analyses of its financial forecasts by varying key assumptions on fares, load factors and jet fuel prices. Such analyses have been made for reasonable alternative outcome assumptions.					

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Note 3

Financial risk

As of 31 December 2024, the Company carries interest-bearing liabilities in the form lease liabilities and shareholder loan. As at the yearend, the Company's principal financial assets are its cash deposits held with the banks. The Company's key financial risks are described below.

3.1 Foreign currency risk

The Company has exposure to the risk of changes in foreign exchange rates related to its cash and cash equivalents held in foreign currencies. As at 31 December 2024 15% of the Company's cash and cash equivalents are held in foreign currencies. The following table represents the Company's cash balance's exposure to foreign currencies:

(in thousands of equivalent USD)

	31 DEC 2024	31 DEC 2023
Cash and cash equivalents held in foreign currencies		
NOK	1,542	12,423
GBP	1,462	2,579
EUR	475	2,901
THB	36	13
Total cash and cash equivalents held in foreign currencies	3,515	17,915
Cash and cash equivalents held in USD	19,339	36,915

There is also foreign exchange rate risk present in the current line items 'Credit card receivables', 'Debt passenger revenue' and 'Trade and other payables'.

Around 70% of the Company's passenger revenues are denominated in USD, and all cargo revenue and lease revenues including charter/ACMI are in USD, hence the majority of revenues are in USD. The main costs, including fuel cost and aircraft lease cost, are denominated in USD, while airport and personnel costs are denominated in a mixture of USD, GBP, EUR and NOK, depending on the location of the operation. The Company has a somewhat similar revenue-to-cost ratio in the four main currencies of USD, GBP, EUR and NOK. The Company has not entered into any currency risk hedging arrangements outside of the natural hedge inherent in the assets, liabilities and cash flows of the business activities.

The following table shows the impact on the Company's profit or loss as at 31 December 2024 from change in foreign exchange rates of the currencies representing the largest exposure to foreign exchange risk:

(in thousands of USD)

	NOK	GBP
Effect on profit and loss of FX rate +10%	1,068	(1,222)
Effect on profit and loss of FX rate -10%	(1,068)	1,222

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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 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 year end 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		50,220	50,220	100,440	200,880	611,255	1,013,015
Other lease payments		4,017	4,017	7,996	16,017	49,925	81,973
Total of lease liabilities		54,237	54,237	108,436	216,897	661,180	1,094,988
Shareholder loan		-	-	26,316	-	-	26,316
Deferred passenger revenue		26,335	74,954	-	-	-	101,289
Trade and other payables		138,864	-	-	-	-	138,864
Total as at 31-Dec-2024		219,437	129,191	134,752	216,897	661,180	1,361,457

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(in thousands of USD)	Within 6 months	6-12 months	1-2 years	3-5 years	More than 5 years	Total
Aircraft lease payments	42,644	49,220	100,440	200,880	711,685	1,104,869
Other lease payments	4,008	4,059	7,907	15,723	57,485	89,182
Total of lease liabilities	46,652	53,279	108,347	216,603	769,170	1,194,051
Deferred passenger revenue	52,394	-	-	-	-	52,394
Trade and other payables	88,699	-	-	-	-	88,699
Total as at 31-Dec-2023	187,745	53,279	108,347	216,603	769,170	1,335,144

3.3 Credit risk

Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in financial Company. The Company is exposed to credit risk primarily from cash held at bank and aircraft lease as well as credit exposure to commercial customers/credit card institutions. The Company manages its risk relating to cash held at bank by only holding deposits at reputable international banks and financial institutions. The risk arising from receivables on credit card companies are monitored closely. The Company manages its counterparty risk relating to aircraft lease deposits by entering leases with internationally renowned lessors. At 31 December 2024 the Company had deposits with AerCap Holdings NV and BOC Aviation Ltd. The fleet by the end of the Period consists of 15 aircraft, of which three were 787-8 aircraft sub-leased to lessee. Sublease agreements have and will be entered into on standard market terms. To reduce the lessee has paid a deposit equivalent to one month's rent per aircraft. The three subleased aircraft by Period were agreed to be early redelivered to the head lessor to streamline the fleet of the Company aircraft only. The three aircraft were redelivered to head lessor during the first quarter of 2025.

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 mainly financed by equity and lease liabilities following from lease agreements, whereas it in 2023 also has shareholder loans in the nominal amount of USD 26.3 million with its two largest shareholders.

3.5 Fuel risk

The Company is exposed to fuel price risks as it represents a substantial part of operating expenses and 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.

3.6 Interest rate risk

The Company has limited exposure to changes in interest rate as it does not have any external interest-bearing debt other than that following from leases carrying fixed interest rates. The Company is exposed to interest rate risk on cash held at bank. The Company does not currently hedge its interest risk. The following table presents the estimated effect on profit or loss from one percentage point change in interest rates:

(in thousands of USD)	
Effect on profit and loss of interest rate +1%	8
Effect on profit and loss of interest rate -1%	(8)

3.7 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 transposse 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 risks 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.

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 annual 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 210,6 million.

The Company's total cash position as at 31 December 2024 is USD 22.9 million.

For Norse's equity situation, the existence of value in the off-balance sheet assets, particularly related to the significant fair value of the aircraft lease contracts, and more, imply that the real equity could be higher than the book equity.

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

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

Specifically, the Company also is in a position of having an approximately USD 18 million of historic and overdue passenger taxes payable to the US Internal Revenue Service (IRS), whereas the current tax liability is serviced as they fall due. The US IRS has mechanisms of demanding 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.

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, the outcome of a downpayment plan to be established with the US IRS for the overdue US passenger taxes, as well as general operational risks. On the other hand, there is upside potential on the commercial and financial performance of the Company's own scheduled network, whereas pre-sales on routes out for sale is trending well above the pre-sales realized at the same time the previous year.

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.

Note 4 Revenue and segment reporting

The chief operating decision maker currently reviews the Company's activities on a consolidated basis as one operating segment. The chief operating decision maker has been identified as the company's Executive Management.

4.1 Revenue

(in thousands of USD)	2024	2023
Airfare passenger revenue	395,249	297,738
Ancillary passenger revenue	108,200	81,448
Total passenger revenues	503,449	379,186
Cargo	20,678	14,277
Total own flights	524,127	393,463
Lease income	18,805	33,090
Charter	37,144	5,140
Other revenue	8,031	7,744
Total Operating Revenue	588,106	439,436

Airfare passenger revenue comprises only ticket revenue, while ancillary passenger revenue consists of other passenger related revenue than the ticket revenue. Lease rentals are revenue from subleasing of aircraft. Other revenue earned in 2024 consists of revenue from maintenance services provided by the Company's maintenance organization to third parties.

The Company has remaining performance obligations under contracts with customers in relation to passenger revenue. The line item "Deferred passenger revenue" of the consolidated statement of financial position represents prepayments from customers exclusive of taxes for services to be delivered in the future. All such liabilities are for services to be rendered within a period of a year.

Furthermore, the Company has remaining performance obligations under contracts with customers for charter revenue, but whereas payment is received and income recognised per month elapsed. The lease contract expires during the first quarter of 2025 as the aircraft are early redelivered to the head lessor.

Finally, the Company has remaining performance obligations under contracts with customers for charter revenue, but whereas such services are paid upon delivery, and all remaining performance obligations are for remaining duration of less than a year.

4.2 Operating segments

	Revenue by country		Non-current assets
	2024	2023	
(in thousands of USD)			2024
Norway	40,717	28,096	30,453
UK	106,819	54,926	37,014
Rest of Europe	101,810	96,674	-
USA	296,408	231,000	46
Other	42,353	28,739	-
Total	588,106	439,437	87,513

The geographical table above shows revenue based on the country or region where the sales originate. Non-current assets by country are exclusive of financial instruments.

Note 5 Personnel remuneration

5.1 Personnel expenses

(in thousands of USD)	2024	2023
Salaries	83,122	64,282
Social security costs	10,413	7,926
Pension costs	6,136	4,275
Hired-in employees	6,040	3,125
Other employee costs	25,989	20,151
Total	131,701	99,759
Average number of FTEs during the fiscal year	2024	2023
Cabin Crew	648	584
Pilots	253	194
Other	279	194
Total	1,180	972

The average number of Norse employees during the Period was 1,092 (690 in 2023) and at the end of the Period the Company had 1,121 employees (1,063 at the end of 2023).

5.2 Share-based payments to employees

In May 2023, the Company introduced a long-term incentive program (LTIP) whereas senior employees were awarded with options to buy shares of the Company. The scheme has a vesting period of 5 years, with options awarded annually. Vesting options are exercisable up until the seventh anniversary of the grant date. If a participant ceases to be employed by the Company, any options not yet fully vested will be forfeited.

The LTIP is an equity-settled, share-based incentive program under which the Company receives services from employees as consideration for equity-instruments (share options) of the Company. The fair value of the 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 option pricing model, and with reference to relevant market data such as applicable volatility. Employee options are taken into consideration when estimating the number of options granted.

Provisions are made 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 expected 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 30 trading days 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 provision for dividends 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 'Statskassseksler' and 'Obligasjoner' (bonds).

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

(in NOK and number of options)	2024		2023	
	No of share options	Weighted average exercise price	No of share options	Weighted average exercise price
Outstanding at the beginning of the period	3,093,750	12.60	-	-
Granted during the period	-	-	4,156,250	12.64
Forfeited during the period	(950,000)	12.46	(1,062,500)	12.75
Outstanding at the end of the period	2,143,750	12.66	3,093,750	12.60
Exercisable at the end of the period	468,750	12.67	-	-

Measurement of fair value of granted share options ¹:

(NOK or such as otherwise stated)

	2024	2023
Number of options	-	4,156,250
Contractual life (years)	-	7.00
Strike price	-	12.64
Share price	-	13.32
Expected lifetime (years)	-	4.00
Volatility (%)	-	71.51%
Interest rate (% p.a.)	-	3.34%
Dividend (% p.a.)	-	0.0%
FV per instrument	-	7.42

¹ Weighted average parameters at grant of share options

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6.2 Board remuneration

The total remuneration paid by the Company to its Board of Directors during the Period was as follows:

(in thousands of USD)		2024	2023
Director	Date of appointment	Board remuneration paid	
Terje Bodin Larsen ¹	1 Feb 2021	43	34
Bjørn Kjos	12 Apr 2021	27	19
Aase Kristine Mikkelsen ²	12 Apr 2021	28	22
Timothy Sanger ²	27 Nov 2023	30	-
Marianne Øikland ²	27 Nov 2023	30	-
Jan Mathias Lindborg	26 Jun 2024	4	-
Synne-Linnea Einarssen	26 Jun 2024	4	-
Leif Andre Moland	26 Jun 2024	4	-
Total		170	75

¹ Including Audit Committee and Nomination Committee remuneration

² Including Audit Committee remuneration

Note 7 Auditor's remuneration

(in thousands of USD)	2024
Audit fee	491
Other attestation services	82
Other services	22
Total	595

The Company has elected RSM Norge AS as its auditor for the 2024 financial year. The engagement financial audit as well as the sustainability audit.

Note 8 Interest expenses

(in thousands of USD)	2024
Lease liabilities interest expense	86,061)
Other interest expense	(2,958)
Total	99,019)

Note 9 Other financial income/(expense)

(in thousands of USD)	2024
Other financial income/(expense)	1,489
Foreign exchange gains	1,282
Foreign exchange losses	(1,810)
Total	962

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Note 10 Income tax								
The Company's income tax expense for the period was as per below:					The following table details net deferred tax liabilities/(assets) as at 31 December:			
(in thousands of USD)			2024	2023	(in thousands of USD)			
Current tax					Right of use lease asset			
Tax payable			379	144	Other fixed assets			
Deferred tax					Lease liabilities			
Changes in deferred tax			(24,900)	(34,011)	Provisions			
Deferred tax asset not recognized			24,900	34,011	Interest deductions carried forward			
Income tax expense			379	144	Tax losses carried forward			
No tax expense is included in other comprehensive income or directly in equity.					Net deferred tax liabilities (assets)			
Below is a reconciliation of the effective rate of tax and the tax rate in Norway:					Of which recognized in the consolidated statement of financial position at the year-end			
(in thousands of USD)			2024	2023	The Company has not recognized any deferred tax assets during the Period. At this start-up phase there is present on the timing and amounts of tax losses that may be utilized in the future.			
Pre-tax profit for the Period			(135,075)	(168,602)				
Income taxes calculated at 22%			(29,716)	(37,092)				
Deductible expenses related to equity issues			(195)	(662)				
Non-deductible expenses			5	57				
Other permanent differences			687	-				
Taxes paid abroad			379	163				
Other effects due to timing and exchange rates			4,320	3,686				
Deferred tax asset not recognized			24,900	33,993				
Income tax expense			379	144				

Note 11 Leases and tangible assets

11.1 Aircraft leases

Norse leases 15 aircraft from two different lessors.

On 29 March 2021 the Company entered into an agreement for the lease of nine Boeing Dreamliner aircraft from AerCap Holdings NV, consisting of six Boeing 787-9s and three Boeing 787-8 aircraft (the "AerCap Leases"). The lease terms are approximately 8 years for the 787-8 aircraft and approximately 12 years for the 787-9 aircraft, measured from the inception date. Under the terms of the AerCap Leases the Company has paid a total lease deposit of USD 8.4 million.

On 2 August 2021 the Company entered into an agreement for the lease of six Boeing Dreamliner aircraft from BOC Aviation Ltd (the "BOCA Leases"). The lease terms are approximately 16 years per aircraft, measured from the aircraft delivery date. Under the terms of the BOCA Leases the Company has paid a total lease deposit of USD 12 million.

The first aircraft was delivered in December 2021, and the delivery of the final aircraft took place one year later in December 2022.

The leases are at historically low pricing and favourable lease terms including power by the hour payments for a minimum period of the first 12 months after respective aircraft deliveries. As of 31 December 2024, all aircraft are on fixed lease payments only.

The Company's fleet by the end of the Period still consists of 15 aircraft, of which three were 787-8 aircraft sub-leased to a third-party lessee. The three subleased aircraft by the end of the Period were agreed to be early redelivered to the head lessor to streamline the fleet of the Company into 787-9 aircraft only. The three aircraft were redelivered to head lessor during the first quarter of 2025.

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11.2 Aircraft and other tangible assets

2024

(in thousands of USD)	ROU Aircraft	ROU Aircraft parts	ROU Other	Aircraft parts	Other tangibles
Acquisitions					
Opening balance 1 Jan 2024	947,116	55,447	424	7,262	1,018
Additions	11,067	-	834	628	292
Acquisition cost 31 Dec 2024	958,182	55,447	1,258	7,891	1,310
Depreciation					
Opening balance 1 Jan 2024	(108,229)	(2,761)	(379)	(826)	(217)
Depreciation	(80,819)	(4,641)	(209)	(1,029)	(285)
Depreciation per 31 Dec 2024	(189,048)	(7,402)	(588)	(1,856)	(501)
Closing balance at 31 Dec 2024	769,134	48,045	671	6,035	809
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
Acquisitions					
Opening balance 1 Jan 2023	947,116	15,873	424	6,475	434
Additions	-	39,574	-	787	584
Acquisition cost 31 Dec 2023	947,116	55,447	424	7,262	1,018
Depreciation					
Opening balance 1 Jan 2023	(28,043)	(469)	(188)	(205)	(89)
Depreciation	(80,186)	(2,292)	(191)	(621)	(128)
Depreciation per 31 Dec 2023	(108,228.7)	(2,761)	(379)	(826)	(217)
Closing balance at 31 Dec 2023	838,887	52,687	45	6,435	802
Useful life (years)	6 – 16	10 – 12	2 – 3	10	3 – 5

11.3 Lease liabilities

Reconciliation of movements in lease liabilities:

(in thousands of USD)	2024	2023
Opening balance 1 Jan	973,827	961,730
Additions during the period	834	40,304
Interest accrued	30,903	29,844
Fixed lease payments during the period	(99,845)	(58,050)
Closing balance 31 Dec	905,719	973,827
Of which:		
Due within 12 months	79,714	71,680
Due after 12 months	826,005	902,147

Lease liabilities are for fixed lease payments only. By the end of the reporting period there are no remaining periods of variable lease payments for any leased aircraft.

The table below shows the maturity profile of the discounted lease liabilities at the reporting date:

(in thousands of USD)	2026	2027	2028	2029	2030	2031-	Total
Aircraft	78,379	80,345	82,316	75,575	72,025	388,151	776,791
Engines, wheels and brakes	3,438	3,776	4,135	4,553	5,000	27,523	48,426
Offices	86	90	130	153	124	205	788
Total	81,903	84,211	86,582	80,281	77,149	415,879	826,005

2023

(in thousands of USD)

Aircraft	76,469	78,379	80,345	82,316	75,575	457,3
Engines, wheels and brakes	3,131	3,438	3,776	4,135	4,553	32,5
Offices	173	-	-	-	-	-
Total	79,773	81,817	84,121	86,452	80,128	489,8

Refer to note 3.2 on liquidity risk for maturity profile of nominal amounts of liabilities.

The Company during the Period has recognized USD 6 thousand of lease payments associated with leases as an expense directly in the Consolidated Statement of Comprehensive Income. No such expense has been recognized associated with short-term leases.

11.4 Aircraft lease deposits

The Company has paid security deposits for each aircraft that are refundable after redelivery of the aircraft once the individual lease expires or in the event of the lessor failing to deliver the aircraft to the lessee. The nominal value of total deposits paid as at 31 December 2024 was USD 20.4 million. Until the delivery of each aircraft by the lessors, the security deposits were refundable in full. After the security deposit becomes refundable at the expiration of the respective lease, the Company has initiated the deposits at their nominal value. Upon delivery of each aircraft, the Company remeasures the release of its fair value on the date of delivery and the difference between the fair value and the nominal value is added to the right-of-use asset as prepaid lease. Subsequent to such measurement at fair value, the deposits are carried at amortized cost.

11.5 Aircraft preparation investments

The cost of preparing aircraft for delivery, including aircraft surveys and livery expenditures, are capital direct costs and then allocated to the ROU asset as the Company takes delivery of each aircraft.

11.6 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 21](#) for further information on Provisions.

Note 12 Intangible Assets

2024		2023	
(in thousands of USD)		(in thousands of USD)	
Acquisitions		Acquisitions	
Opening balance 1 Jan 2024	4,361	Opening balance 1 Jan 2023	3 151
Additions	432	Additions	1 210
Acquisition cost 31 Dec 2024	4,793	Acquisition cost 31 Dec 2023	4 361
Amortisation		Amortisation	
Opening balance 1 Jan 2024	(1,037)	Opening balance 1 Jan 2023	(350)
Depreciation	(936)	Depreciation	(687)
Amortisation per 31 Dec 2024	(1,974)	Amortisation per 31 Dec 2023	(1 037)
Closing balance at 31 Dec 2024	2,819	Closing balance at 31 Dec 2023	3 324
Useful life (years)	3 – 5	Useful life (years)	3 - 5

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Note 13 Financial assets and liabilities at amortised cost

Financial assets and liabilities measured at amortized cost are as follows:

(in thousands of USD)	31 DEC 2024	31 DEC 2023
Financial assets		
Aircraft lease deposits	16,502	16,048
Other non-current assets: Maintenance reserve payments	32,338	17,277
Credit card receivables	100,245	60,214
Other receivables	11,668	6,351
Other current assets: Deposits	3,607	1,799
Other current assets: Prepayments	11,861	20,970
Cash and cash equivalents	22,855	54,830
Total financial assets at amortised cost	199,076	177,490

(in thousands of USD)

Financial liabilities		
Shareholder loan	22,056	-
Lease liabilities non-current	826,005	902,147
Deferred passenger revenue	101,289	52,394
Trade and other payables	138,864	88,699
Lease liabilities current	79,714	71,680
Total financial liabilities at amortised cost	1,167,929	1,114,920
Total net financial liabilities at amortised cost		
	968,852	937,430

The nominal value of aircraft lease deposits is USD 20.4 million, whereas the fair value is estimated at approximately USD 16.5 million. 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.

Note 14 Other non-current assets

(in thousands of USD)

Maintenance Reserve Contributions	32,338
Total	32,338

Both AerCap and BOCA lease agreements contain provisions for maintenance reserve payments for to cover the cost of future maintenance events. These payments are payable at fixed amounts per month that are reviewed and updated at 6 months' intervals for BOCA leases and annually for AerCap leases. Monthly maintenance reserves are effectively 'deposits' from which Norse will get reimbursed for aircraft maintenance costs when maintenance activities are carried out.

The maintenance reserve amounts paid monthly to the lessors are financial assets classified into 'current' and 'non-current' based on the timing of expected maintenance activity and subsequent reimbursement.

Note 15 Trade and other receivables

(in thousands of USD)

Trade receivables	9,699
Other receivables	1,970
Total	1,668

Trade and other receivables are normally recognized at nominal amount, whereas the principal amount is amortized cost the effective interest method. Normally the interest element is immaterial and therefore allowances are made for expected credit loss based on the information available by the end of the reporting period. At 31 December 2024 the allowance for expected credit loss was nil (and nil as at 31 December 2023).

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Note 16 Inventories

(in thousands of USD)

	31 DEC 2024	31 DEC 2023
Engine oil	-	6
Consumables	4,601	3,460
Total	4,601	3,466

Note 17 Other current assets

(in thousands of USD)

	31 DEC 2024	31 DEC 2023
Deposits	3,607	20,970
Prepayments	11,861	1,799
Total	15,468	22,770

Note 18 Cash and cash equivalents

Cash and cash equivalents consist of cash deposits held at call with banks.

(in thousands of USD)

USD	19,339
NOK	1,542
GBP	1,462
EUR	475
THB	36
Total cash and cash equivalents	22,855

Hereof restricted cash:

USD	8,200
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Restricted cash refers to security deposits held to support guarantees made in favour of some key suppliers, such as airports etc. The Group's main bank furthermore has issued guarantees in favour of some key suppliers to the Company in total amounts of USD 2.5 million, NOK 2.5 million and EUR 0.3 million. In addition to the specified, there is a cash amount of USD 1.2 million of withholding taxes.

In addition to the above cash and cash equivalents, the Company holds additional credit lines in the revolving credit facility in the nominal amount of USD 6.3 million being fully undrawn as at 31 December 2024 with a final maturity date of 31 December 2025.

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Note 19 Share capital

The Company has one class of ordinary shares and accounts for these shares as equity. Incremental costs directly attributable to the issue of new shares are recorded in equity as a reduction from the gross proceeds from the issue of shares.

As of 31 December 2024, the Company's authorized and issued number of shares are 147,802,416 shares, all with par value NOK 5 per share.

19.1 Largest shareholders

The Company's largest 20 shareholders as at 31 December 2024, were as follows:

Name	Number of shares	Ownership
B T Larsen & Co Limited	43,549,801	29.5%
Scorpio Holdings Limited	27,272,419	18.5%
Songa Capital AS	4,461,330	3.0%
UBS Switzerland AG	3,808,123	2.6%
MH Capital AS	2,394,684	1.6%
Fender Elendom AS	2,295,661	1.6%
Société Générale	2,043,245	1.4%
Vicama AS	2,000,000	1.4%
Alto Holding AS	1,911,147	1.3%
Skandinaviska Enskilda Banken AB	1,500,000	1.0%
UBS AG	1,400,613	0.9%
UBS Financial Services INC	1,000,000	0.7%
Maximus Invest AS	1,000,000	0.7%
Pure AS	997,302	0.7%
Kai Vidar Kvade	930,000	0.6%
Pegasi AS	917,679	0.6%
BNP Paribas	826,535	0.6%
Observatoriet Invest AS	785,000	0.5%
Valleløkken AS	769,466	0.5%
Bryan Charles Khatib Semnani	762,801	0.5%
Top 20 shareholders	100,625,806	68.1%
Other shareholders	47,176,610	31.9%
Total number of shares	147,802,416	100.0%

19.2 Shares and options held by Key Management and Board of Directors

Shares directly or indirectly held by members of the Board of Directors and Executive Management as at 31 December 2024, were as follows:

Name	Number of shares	Number of share options
Terje Bodin Larsen ¹	75,000	-
Bjørn Kjos ²	910,000	-
Leif Andre Moland	2,500	31,250
Bjørn Tore Larsen ³	43,549,801	-
Anders Hall Jomaas	20,000	500,000
Bård Nordhagen	-	62,500
Thom Arne Norheim	-	250,000
Kristin Bertheisen ⁴	90 150	250 000

¹ Shares held through Vineta Ltd, a company controlled by Terje Bodin Larsen

² Shares held through Observatoriet Invest AS and Observatoriet Holding AS, both companies controlled by Bjørn Kjos

³ Shares held through B T Larsen & Co. Ltd., a company controlled by Bjørn Tore Larsen. In addition, Ellen Hagen, a close associate of Bjørn Tore Larsen, owns 5,000 shares in the Company

⁴ Hereof 90,000 shares held through Alltid Alt AS, a company controlled by Kristin Bertheisen

Note 20 Earnings per share

Basic earnings per share is calculated based on the net profit attributable to ordinary shareholders divided by the weighted average number of shares in issue during the same period. The Company in to share based payment transactions to its employees has potentially dilutive equity instruments in 31 December 2024. Such potentially dilutive equity instruments are currently not calculated into the average number of outstanding shares as the Company has been loss-making. Refer to note 5.2 for share-based payment transactions with employees.

(in USD thousands or such as stated)

	2024
Profit/(loss) for the period	(135,454)
Weighted average number of shares outstanding	129,273,593
Basic and diluted EPS (in USD per share)	(1.05)

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Note 21 Provisions

(in thousands of USD)

	2024	2023
Opening balance 1 Jan	57,913	45,762
New maintenance provisions through profit/loss	8,442	7,223
New other provisions through profit/loss	406	435
Interest charge on discounted provisions	7,938	5,281
Amounts of provisions used during the period	(870)	(788)
Closing balance 31 Dec	73,830	57,913
Of which:		
Due within 12 months	-	-
Due after 12 months	73,830	57,913

New provisions under ROU initial recognition, refer to provisions being recognised as part of the cost under initial recognition of aircraft lease right-of-use assets. Such provisions are for redelivery cost of the aircraft, and for maintenance checks to be carried out under the lease term and in accordance with the terms of the lease contract.

Note 22 Related parties

22.1 Subsidiaries

This set of consolidated financial statements includes the financial statements of Norse Atlantic ASA subsidiaries, as follows:

Name of the subsidiary	Country of incorporation
Norse Atlantic Airways AS	Norway
Norse Atlantic US Holding AS	Norway
Norse Atlantic USA LLC	USA
Norse Atlantic Airways US LLC	USA
Norse Atlantic UK Ltd	UK
Norse Atlantic Airways Latvia SIA	Latvia

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22.2 Transactions with related parties

During the period from 1 January 2024 to 31 December 2024 Norse Atlantic had a cost of pilot training services of USD 800,585 with OSM Aviation Academy AS being part of the OSM Aviation group, where the Company's CEO, Bjørn Tore Larsen, is the controlling shareholder.

Further, the Company holds an agreement with Shiphold Management AS for the provision of the services of the Chief Financial Officer, Anders Hall Jomaas. The services are rendered at a rate of NOK 300,000 per month and at a total cost of USD 327,600 for the period from 1 January 2024 to 31 December 2024. The Company's CEO, Bjørn Tore Larsen, is the controlling shareholder of Shiphold Management AS.

On 12 April 2024, the Company secured a USD 20 million revolving credit facility from its two largest shareholders Scorpio Holdings Limited and BT Larsen & Co Ltd. The Facility carries an interest rate of 15% per annum, is on market terms, is unsecured, will not be amortizing and any drawn amounts are to be repaid on or before 31 March 2026. BT Larsen & Co Ltd is a company closely associated with Bjørn Tore Larsen, the CEO of the Company.

On 29 November 2024, the Company secured a USD 6.3 million revolving credit facility from BT Larsen & Co Ltd. Amounts drawn under the facility will carry interest at a rate of 15% per annum. A commitment fee of 4.5% per annum will apply on any undrawn part of the facility. BT Larsen & Co Ltd is a company closely associated with Bjørn Tore Larsen, the CEO of the Company.

These related party transactions are carried out on an arm's length basis.

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Note 23 Events after the reporting period

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 the Indian airline IndiGo. The aircraft is expected to start operations in March 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. 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 10 March 2025, the Company announced that it had previously announced redelivery of three Boeing 787-8 aircraft were initially delivered to Norse Atlantic in 2022 and have been on continuous sublease on a dry lease basis to Prior to redelivery, the three 787-8 aircraft had approximately lease length remaining. Following the transaction Norse Atlantic will receive a uniform, flexible and cost-efficient fleet of 12 Boeing 787-8 aircraft, with remaining lease lengths of 7 to 14 years and an average length of ten and a half years. The transaction will result in an accounting gain that will be recognized in Q1 2025.

On 21 March 2025, the Company announced that the Board had decided to cancel the subsequent share offering that was to follow the direct private placement of new shares that was announced on 29 November 2024. Since the private placement of the shares, the Company have traded below the NOK 5.00 subscription price at the time, and significant volumes of shares have been traded, investors to buy shares in the market below subscription price to reduce dilutive effects.

All of the above-mentioned events after the reporting period are adjusting events.

Alternative performance measures

An Alternative Performance Measure ("APM") is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. Norse prepares its financial statements in accordance with IFRS, and in addition uses APMs to enhance the financial statement readers' understanding of the Company's performance. Definition of APMs used by the Company in these financial statements are provided below.

APM	Description
EBITDAR	Earnings before net financial items, income tax expense/(income), depreciation, amortization and impairment, restructuring items, aircraft leasing expenses and share of profit/(loss) from associated companies. EBITDAR enables comparison between the financial performance of different airlines as it is not affected by the method used to finance the aircraft
Airfare per passenger	Total airfare revenue divided by the number of passengers
Ancillary per passenger	Total ancillary revenue, meaning all passenger revenue that is not the airfare, divided by the number of passengers
Revenue per passenger	Total revenue that the Company earns from passengers, which consists of airfare and ancillary revenue, divided by the number of passengers
PRASK	Passenger revenue per available seat kilometre. Passenger revenue defined as total revenue across airfare and ancillary
TRASK	Total operating revenue per available seat kilometre
CASK	Cost per available seat kilometre. Used to measure the unit cost to operate each seat for every kilometre

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APM	Description
CASK (excluding fuel)	Cost per available seat kilometre, excluding the cost of fuel. Used to measure the cost to operate each seat for every kilometre, while fuel is excluded due to the pricing as a commodity due to market conditions being outside the control of the Company
CASK (cash adjusted)	Cost per available seat kilometre, excluding the cost of fuel and the IFRS adjustment of right-to-use asset. The right-to-use accounting amortization is excluded, significantly different from the lease accounting cost. CASK (cash adjusted) provides an accurate indication of the cash cost of CASK excluding fuel
Own network	Network of Company's own scheduled flights, excluding all ACI and Chartered flights
Own network	Network of Company's own scheduled flights, excluding all ACI and Chartered flights
Operational measures	Description
ASK	Available seat kilometres. Number of available passenger seats multiplied by the number of kilometres flown
RPK	Revenue passenger kilometres. Number of sold seats multiplied by the number of kilometres flown
Load factor	RPK divided by ASK. Indicates the utilization of available seats

CASK (excluding fuel)		2024	2023
(in thousands of USD)			
Operating profit/(loss)		(97,017)	(135,223)
Add-back:			
Revenue	(588,106)	(439,436)	
Fuel, oil and emissions costs	183,617	152,527	
Cost (adj.) sub-total	501,507	422,132	
Available seat kilometres (millions)	12,323	8,672	
CASK (excl. fuel) - US cents	4.07	4.87	

CASK		2024	2023
(in thousands of USD)			
Operating profit/(loss)		(97,017)	(135,223)
Add-back:			
Revenue	(588,106)	(439,436)	
Cost sub-total	685,124	574,659	
Available seat kilometres (millions)	12,323	8,672	
CASK - US cents	5.56	6.63	

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Statement of comprehensive income

(Unconsolidated Parent company)

(in thousands of USD)	Notes	2024	2023
Revenue			
Lease income	3	18,805	33,090
Other revenue	3	12,746	-
Total revenue	3	31,551	33,090
Operating expenses			
Personnel expenses	4, 5	(185)	(486)
Technical maintenance		(4,399)	(67)
Other operating costs		(1,601)	(624)
Marketing and distribution costs		-	(12)
Administrative costs	6	(1,899)	(2,235)
Total Operating exps excl. leases, dep & amort.		(8,083)	(3,424)
Operating profit before leases, dep & amort. (EBITDAR)		23,467	29,666
Variable aircraft rentals			
		(5,312)	(18,283)
Depreciation and amortization	9	(16,731)	(23,921)
Impairment losses	12, 15.1	(66,253)	(171,308)
Operating profit/(loss)		(64,829)	(183,847)
Interest expenses			
		(31,029)	(30,362)
Intra-group interest income/(expense)		31,112	30,555
Other financial income/(expenses)	7	491	1,167
Profit/(loss) before tax		(64,256)	(182,487)

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Statement of financial position

(Unconsolidated Parent company)

(in thousands of USD)	Notes	31 DEC 2024	31 DEC 2023	(in thousands of USD)	Notes	31 DEC 2024
Non-current assets						
Aircraft and other tangible assets	9	53,645	151,569	Equity and liabilities		
Aircraft lease deposits	9, 16	16,502	16,048	Equity		
Other non-current assets	10, 16	32,338	17,277	Share capital	13	74,596
Investment in subsidiaries	12	14	8	Share premium		200,418
Lease receivables from subsidiaries	15, 16	728,973	706,692	Other paid-in capital		588
Intercompany receivables	15, 16	3,383	9,714	Accumulated losses	14	(272,470)
Total non-current assets		834,856	901,308	Total equity		3,132
Current assets						
Lease receivables from subsidiaries	15, 16	62,601	48,339	Non-current liabilities		
Trade and other receivables	16	224	-	Shareholder loan	15, 2, 16	22,056
Intercompany receivables	15, 16	4,301	26,933	Lease liabilities non-current	9, 16	6,791
Other current assets	16	8,505	10,024	Provisions	17	29,882
Cash and cash equivalents	2, 11, 16	13,572	34,417	Total non-current liabilities		28,730
Total current assets		89,202	119,714	Current liabilities		
Total assets		924,058	1,021,022	Trade and other payables	16	5,727
				Lease liabilities current	9, 16	6,469
				Total current liabilities		12,196
						0
				Total equity and liabilities		34,058

Statement of cash flows

(Unconsolidated Parent company)

(in thousands of USD)	2024	2023
Cash flows from operating activities		
Profit/(loss) before tax	(64,256)	(182,487)
Adjustments for items not affecting operating cash flows:		
Depreciation and amortization	16,731	23,921
Impairment losses	66,253	171,308
Interest expenses	31,029	30,362
Interest income	(31,112)	(30,555)
Provisions	(760)	2,219
Net operating cash flows before working capital movements	17,886	14,769
Working capital movements	(29,407)	14,499
Net cash flows from operating activities	(11,521)	29,267
Cash flows from investing activities		
Aircraft maintenance assets	(15,062)	(17,277)
Investment in subsidiaries	(3,128)	(16,028)
Loans to subsidiaries	44,650	(35,719)
Net cash flows from investing activities	26,460	(69,025)

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(in thousands of USD)	Notes	2024
Cash flows from financing activities		
Net proceeds from share issue		14,304
Proceeds from shareholder loan		20,000
Lease instalments	9	(66,218)
Movements in restricted cash	11	2,300
Net interest received/(paid)		(4,041)
Net cash flows from financing activities		(33,655)
Effect of foreign currency revaluation on cash		172
Net increase in free cash and cash equivalents		(8,545)
Free cash and cash equivalents at the beginning of the period		8,917
Free cash and cash equivalents at the end of the period		372
Restricted cash at the end of the period	2, 11, 16	3,200
Cash and cash equivalents at the end of the period	2, 11, 16	3,572

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Statement of changes in equity

(Unconsolidated Parent company) (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
Balance as at 1 Jan 2024	122,211,579	62,954	197,756	309	(204,644)
Profit/(loss) for the period	-	-	-	-	(67,825)
Other comprehensive income	-	-	-	-	-
Other changes in equity					
2 February 2024, share issue at USD 1.03 (NOK 11.00) per share	6,312,261	2,955	2,858	-	-
6 December 2024, share issue at USD 0.45 (NOK 5.00) per share	19,278,576	8,686	(196)	-	-
Share-based payments to employees	-	-	-	279	-
Balance at 31 Dec 2024	147,802,416	74,596	200,418	588	(272,550)
Balance as at 1 Jan 2023	206,084,314	29,945	162,561	-	(17,930)
Profit/(loss) for the period	-	-	-	-	(187,994)
Other comprehensive income	-	-	-	-	-
Other changes in equity					
25 April 2023, share issue at USD 0.23 (NOK 2.50) per share	60,000,002	7,030	6,177	-	-
27 April 2023, reverse share split, four shares into one	(199,563,237)	-	-	-	-
13 November 2023, share issue at USD 0.99 (NOK 11.00) per share	9,978,161	4,492	5,018	-	-
29 November 2023, share issue at USD 1.03 (NOK 11.00) per share	45,712,339	21,487	24,000	-	-
Share based employee incentives	-	-	-	309	-
Balance at 31 Dec 2023	122,211,579	62,954	197,756	309	(204,644)

Notes to the parent company financial statements

Note 1 General information and significant accounting policies

Norse Atlantic ASA (the "Parent") is a holding company and the parent company of the Norse Atlantic Airways group of companies ("the Company", "Norse") comprising Norse Atlantic ASA and its underlying subsidiaries. In addition to owning the subsidiaries, the Parent enters aircraft leases with external lessors and subleases the aircraft to its subsidiaries. The sub-lease is classified as a Finance lease in the intra-group lessee's books, in accordance with IFRS 16 Leases para 61-66.

These 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. The consolidated financial statements are presented in thousands of USD except where otherwise indicated.

These financial statements have been prepared based on the assumption of going concern. For further information on the Board of Directors' considerations on the going concern assumption, please refer to note 3.8 of the disclosures of the Consolidated financial statements.

The Parent's accounting principles are consistent with the accounting principles of Norse, as described in Note 2 of the Company's consolidated financial statements for the period from 1 January to 31 December 2024 (the "Period"). Further to this, shares in subsidiaries are carried at cost less any impairment loss. Receivables from and loans provided to subsidiaries are carried at cost less expected credit losses.

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Note 2 Financial risk

As of 31 December 2024, the Parent carries interest-bearing liabilities in the form lease liabilities and share at the year end, the Parent's principal financial assets are its cash deposits held with the banks. The Parent risks are described below.

2.1 Foreign currency risk

(in thousands of equivalent USD)

2024

Cash and cash equivalents held in foreign currencies

NOK

(48)

GBP

20

EUR

32

THB

-

Total Cash and cash equivalents held in foreign currencies

3

Cash and cash equivalents held in USD

3,568

As of 31 December 2024, nil % of the Parent's cash and cash equivalents are held in foreign currencies.

2.2 Liquidity risk

The following table shows the maturity profile of the Parent's financial liabilities as at year end 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	50,220	50,220	100,440	200,880	611,255	1,013,015
Shareholder loan	-	-	26,316	-	-	26,316
Trade and other payables	15,727	-	-	-	-	15,727
Total as at 31 Dec 2024	65,947	50,220	126,756	200,880	611,255	1,055,058

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	42,644	49,220	100,440	200,880	711,685	1,104,869
Trade and other payables	14,746	-	-	-	-	14,746
Total as at 31 Dec 2023	57,390	49,220	100,440	200,880	711,685	1,119,615

2.3 Credit risk

Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in financial loss to the Parent. The Parent is exposed to credit risk primarily from cash held at bank and aircraft lease deposits. The Parent manages its counterparty risk relating to cash held at bank by only holding deposits at recognizable international banks. As at 31 December 2024 all of the Parent's cash and cash equivalents were held with Nordea Bank. The Parent manages its counterparty risk relating to aircraft lease deposits by entering leases with internationally renowned aircraft lessors. At 31 December 2024 the Parent had deposits with AerCap Holdings NV and BOC Aviation Ltd.

Note 3 Operating segments revenue

(In thousands of USD)

Norway	12,746
Europe outside of Norway and UK	18,805
Total	31,551

Revenue in Norway refers to gains from early termination of group internal aircraft leases. Revenue in outside of Norway and UK refers to revenue from external sub-lease of aircraft to one single customer.

Note 4 Personnel expenses

(In thousands of USD)

Board remuneration	158
Social security costs	22
Other personnel costs	4
Total	185

The Parent has no employees and no pension obligations.

Note 5 Board remuneration

The total remuneration paid by the Parent to its Board of Directors during the Period is equal to that of the Group. Refer to disclosures of the Group's consolidated financial statements, note 6.2.

Note 6 Auditors remuneration

The total remuneration paid by the Parent to its auditors during the Period was as follows:

(In thousands of USD)	2024	2023
Audit fee	193	79
Other attestation services	82	9
Other services	22	32
Total	297	120

Note 7 Other Financial income/(expense)

(In thousands of USD)	2024	2023
Interest income	884	1,037
Foreign exchange gains	216	(953)
Foreign exchange losses	(609)	1,083
Total	491	1,167

Note 8 Income tax

The Parent's income tax expense for the period was as per below:

(In thousands of USD)	2024
Current tax	3,570
Tax payable	
Deferred tax	(12,611)
Changes in deferred tax	12,611
Deferred tax asset not recognized	
Income tax expense	3,570

No tax expense is included in other comprehensive income or directly in equity. Tax payable is expected to be paid within 12 months. Tax expense is recognized in the consolidated income statement by group contributions provided from the Parent to subsidiary companies, so that the taxes are effectively payable. Such group contribution is to be adopted and hence recognised after the end of the reporting period.

Below is a reconciliation of the effective rate of tax and the tax rate in Norway:

(In thousands of USD)	2024
Pre-tax profit for the Period	164,256
Income taxes calculated at 22%	36,413
Deductible expenses related to equity issues	(195)
Non-deductible expenses	
Other permanent differences	687
Corrections previous years	451
Effect group contribution	-
Other effects due to timing and exchange rates	4,153
Deferred tax asset not recognized	22,611
Income tax expense	3,570

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The following table details net deferred tax liabilities/(assets) as at 31 December:

(in thousands of USD)

	2024	2023
Right of use lease asset	11,802	33,345
Lease receivable	174,146	166,107
Intercompany non-current receivables	(34,774)	(20,880)
Lease liabilities	(188,575)	(203,194)
Provisions	(6,574)	(6,741)
Tax losses carried forward	-	-
Net deferred tax liabilities (assets)	(43,975)	(31,364)

Of which recognized in the consolidated statement of financial position at the yearend

	-	-
--	---	---

The Parent has not recognized any deferred tax assets during the Period. At this start-up phase there is certainty present on the timing and amounts of tax losses that may be utilized in the future.

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The following table details net deferred tax liabilities/(assets) as at 31 December:

(In thousands of USD)	2024	2023
Right of use lease asset	11,802	33,345
Lease receivable	174,146	166,107
Intercompany non-current receivables	(34,774)	(20,880)
Lease liabilities	(188,575)	(203,194)
Provisions	(6,574)	(6,741)
Tax losses carried forward	-	-
Net deferred tax liabilities (assets)	(43,975)	(31,364)
Of which recognized in the consolidated statement of financial position at the yearend	-	-

The Parent has not recognized any deferred tax assets during the Period. At this start-up phase there is certainty present on the timing and amounts of tax losses that may be utilized in the future.

9.2 Aircraft and other tangible assets

2024

(in thousands of USD)	ROU Aircraft	Total
Acquisitions		
Opening balance 1 Jan 2024	187,599	187,599
Disposals	(101,902)	(101,902)
Acquisition cost 31 Dec 2024	85,697	85,697
Depreciation		
Opening balance 1 Jan 2024	(36,031)	(36,031)
Depreciation	(16,731)	(16,731)
Disposals	20,710	20,710
Depreciation per 31 Dec 2024	(32,052)	(32,052)
Closing balance at 31 Dec 2024	53,645	53,645
Useful life (years)	5 – 6	

2023

(in thousands of USD)	ROU Aircraft
Acquisitions:	
Opening balance 1 Jan 2023	187,156
Additions	443
Acquisition cost 31 Dec 2023	187,599
Depreciation:	
Opening balance 1 Jan 2023	(12,110)
Depreciation	(23,921)
Depreciation per 31 Dec 2023	(36,031)
Closing balance at 31 Dec 2023	151,569
Useful life (years)	6 – 11

The right-of-use assets by the end of 2023 represent five aircraft together with their associated maintenance being acquired in 2022 and subsequently sub-leased to an external lessor. Two of the subleased aircraft were to Norse ahead of the peak summer 2024 season. The remaining three aircraft, being 787-8 aircraft, were by the end of the Period. The three subleased aircraft by the end of the Period were agreed to be early re-head lessor to streamline the fleet of the Company into 787-9 aircraft only. The three aircraft were re-delivered lessor during the first quarter of 2025.

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9.3 Lease liabilities

(in thousands of USD)

	2024	2023
Opening balance 1 Jan	919,260	945,862
Additions during the period	-	-
Interest accrued	25,865	27,205
Fixed lease payments during the period	(91,865)	(53,807)
Closing balance 31 Dec	853,260	919,260

Of which:

Due within 12 months	76,469	68,842
Due after 12 months	776,791	850,417

Refer to [note 2.2](#) on liquidity risk for maturity profile of nominal amounts of lease liabilities.

The Parent has paid security deposits for each aircraft that are refundable after redelivery of the respective aircraft once the individual lease expires or in the event of the external lessor failing to deliver the aircraft to the Parent. The nominal value of total deposits paid as at 31 December 24 was USD 20.4 million. Up until the date of delivery of each aircraft by the external lessors to the Parent, the security deposits were refundable in full. Once each aircraft is delivered, the security deposit becomes refundable at the expiration of the respective lease. The Parent has initially recorded the deposits at their nominal value. Upon delivery of each aircraft, the Parent remeasures the relevant deposit to its fair value on the date of delivery and the difference between the fair value and the nominal value of the deposit is included in the Parent's net investment in the lease. Subsequent to such measurement at fair value, the deposits are carried at amortized cost.

9.4 Aircraft preparation investments

The cost of preparing aircraft for delivery, including aircraft surveys and livery expenditure are capitalized direct costs and included in the net investment in the lease as the Parent takes delivery of each aircraft. 31 December 2024 the Parent has capitalized USD 1,8 million for initial direct costs that is allocated delivered in 2022.

9.5 Provision for redelivery costs

As per the terms of external aircraft lease agreements, the Parent is obliged to redeliver the aircraft at the expiry of the lease term in certain redelivery condition as prescribed in the lease agreements. recognized provisions in its statement of financial position towards such aircraft restoration and return.

Refer to [note 17](#) for further information on Provisions.

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Note 10

Other non-current assets

(In thousands of USD)

	31 DEC 2024	31 DEC 2023
Maintenance Reserve Contributions	32,338	17,277
Total	32,338	17,277

Both AerCap and BOCA lease agreements contain provisions for maintenance reserve payments for the aircraft to cover the cost of future maintenance events. These payments are payable at fixed amounts per month, at rates that are reviewed and updated at 6 months' intervals for BOCA leases and annually for AerCap leases. Such monthly maintenance reserves are effectively 'deposits' from which Norse will get reimbursed for actual periodic maintenance costs when maintenance activities are carried out.

The maintenance reserve amounts paid monthly to the lessors are financial assets classified into 'current' and 'non-current' based on the timing of expected maintenance activity and subsequent reimbursement.

Note 11

Cash and cash equivalents

Cash and cash equivalents consist of cash deposits held at call with banks. Restricted cash refers to deposits held to support guarantees made in favour of some key suppliers such as airports etc. The bank furthermore has issued guarantees in favour of key suppliers of the Company in total amounts of USD 44.0 million and in favour of its subsidiary Norse Atlantic Airways AS of USD 44.0 million.

	31 DEC 2024
(in thousands of USD)	
USD	13,568
NOK	(48)
GBP	20
EUR	32
Total cash and cash equivalents	13,572
Hereof restricted cash:	
USD	3,200

In addition to the above cash and cash equivalents, the Company holds additional credit lines in the revolving credit facility in the nominal amount of USD 6.3 million being fully undrawn as at 31 December 2024 with a final maturity date of 31 December 2025.

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Note 12 Investment in subsidiaries

The Parent's direct investment in subsidiaries is as follows:

Name of the subsidiary (In thousands of USD)	Country of incorporation	Equity investment		
		Equity interest as at 31 DEC 24 ²	31 DEC 2024	31 DEC 2023
Norse Atlantic Airways AS	Norway	100%	-	-
Norse Atlantic US Holding AS	Norway	100%	11	4
Norse Atlantic UK Ltd	UK	100%	-	-
Norse Atlantic Management AS ¹	Norway	100%	-	4
Norse Atlantic Airways Latvia SIA	Latvia	100%	3	-
Total carrying value			14	8

¹ Company being liquidated and ceasing to exist in February 2024

² Voting rights are equivalent to shareholding for all companies

In 2024 the Parent recognised an impairment loss on investments in subsidiaries of USD 3.1 million (76.4 in 2023), hereof USD 3.1 million associated with the investment in Norse Atlantic Airways AS (USD 45.6 million in 2023), and USD nil million associated with the investment in Norse Atlantic UK Ltd (USD 30.8 million in 2023). Accumulated impairment losses are USD 48.7 million for the investment in Norse Atlantic Airways AS and USD 30.8 million for the investment in Norse Atlantic UK Ltd. The impairment losses are presented as a separate line item in the statement of comprehensive income, together with impairment losses recognized on non-current receivables towards subsidiaries, cf. [note 15.1](#) on Transactions and balances with subsidiaries. After the recognition of such impairment loss, each of these investments in subsidiaries are carried at a value of nil.

The impairment loss is recognised due to the fact that that these two companies have experienced losses, and they currently both have a negative book value. When estimating the fair value of these and the size of any impairment loss, management has made judgements on real underlying value of Both companies holding Air Operator's Certificates (AOC) and being at the core of Norse's business key to realisation of future business plans, in Norse's view there are underlying off-balance values in such as related to aircraft lease contracts. The recoverable amounts are however estimated to be nil the two investments as at 31 December 2024.

As of 31 December 2024, the Parent directly and indirectly has the following subsidiaries:

Name of the subsidiary	Date of establishment	Country of incorporation	Number of shares
Norse Atlantic Airways AS	01/01/2021	Norway	3,000
Norse Atlantic Airways US LLC	08/02/2022	USA	100
Norse Atlantic UK Ltd.	10/05/2021	UK	4,000,100
Norse Atlantic US Holding AS	01/06/2021	Norway	3,000
Norse Atlantic USA LLC	30/08/2021	USA	100
Norse Atlantic Airways Latvia SIA	18/10/2024	Latvia	2,800

Note 13 Share capital

The Parent has one class of ordinary shares and accounts for these shares as equity. Incremental costs directly attributable to the issue of new shares are recorded in equity as a reduction from the gross proceeds from the issue of shares.

At 31 December 2024 the Company's authorized and issued number of shares are 147,802,416 shares, with par value NOK 5 per share.

13.1 Shareholder information

For information on the largest shareholders of the Company's as at 31 December 2024, refer to the consolidated financial statements, 19.1.

13.2 Shares and options held by Key Management and Board of Directors

For information on shares directly or indirectly held by members of the Boards of Directors and Executive Management as at 31 December 2024, refer to the disclosures of the consolidated financial statements [note 19.2](#).

Note 14 Earnings per share

Basic earnings per share is calculated based on the net profit attributable to ordinary shareholders for the period divided by the weighted average number of shares in issue during the same period. The Parent in relation to its subsidiaries' share based payment transactions to its employees has potentially dilutive equity instruments in issue as of 31 December 2024. Such potentially dilutive equity instruments are currently not calculated into the weighted average number of outstanding shares as the Company has been loss-making.

(in USD thousands or such as stated)	2024	2023
Profit/(loss) for the period	(67,825)	(187,294)
Weighted average number of shares outstanding	129,273,593	67,472,961
Basic and diluted EPS (in USD per share)	(0.52)	(2.78)

Norse Atlantic Airways – Annual report 2024

Note 15 Related parties

15.1 Transactions and balances with subsidiaries

During the period ended 31 December 2024 and the period ended 31 December 2023, the Parent has had the following transactions with its subsidiaries:

2024

(in thousands of USD)	Norse Atlantic Airways AS	Norse Atlantic Holding AS	Norse Atlantic US Holding AS	Norse Atlantic UK Ltd	Other
Lease receivables from subsidiaries	36,742	-	-	25,859	4
Other current receivable	-	3,888	-	-	4
Total current receivable	36,742	3,888	-	25,859	4
Lease receivables from subsidiaries	403,806	-	-	325,168	4
Other non-current receivable	-	3,383	-	-	4
Total non-current receivable	403,806	3,383	-	325,168	4
Total receivable from subsidiaries	440,548	7,272	-	351,027	4

2023

(in thousands of USD)	Norse Atlantic Airways AS	Norse Atlantic Holding AS	Norse Atlantic US Holding AS	Norse Atlantic UK Ltd	Other
Lease receivables from subsidiaries	19,600	-	-	28,739	9
Other current receivable	2,620	3,177	-	20,212	9
Total current receivable	22,220	3,177	-	48,951	9
Lease receivables from subsidiaries	265,155	-	-	441,537	9
Other non-current receivable	6,331	3,383	-	-	9
Total non-current receivable	271,486	3,383	-	441,537	9
Total receivable from subsidiaries	293,706	6,561	-	490,487	9

In 2024, the Parent recognised an impairment loss on non-current receivables towards subsidiaries of USD 63.1 million (USD 94.9 million in 2023), hereof USD 63.1 million in relation to Norse Atlantic Airways AS (USD 78.6 million in 2023), and USD nil million in relation to Norse Atlantic UK Ltd (USD 16.3 million in 2023). Accumulated impairment losses are USD 141.7 million for the receivables against Norse Atlantic Airways AS and USD 16.3 million for the receivables against Norse Atlantic UK Ltd. The impairment losses are presented as a separate line item in the statement of comprehensive income, together with impairment losses recognized on equity investments in subsidiaries, cf. [note 12](#) on Investments in subsidiaries. The impairment loss is recognised related to the fact that that these two companies have experienced operating losses, and they currently both have a negative book value. When estimating the fair value of these subsidiaries, and the size of any impairment loss, management has made judgements on real underlying value of the business taking into account off-balance values such as favourable lease contracts, airport landing slots and more.

(in thousands of USD)	2024	2023
Intra-group interest income	31,112	30,555

15.2 Transactions with related parties

On 12 April 2024, the Company secured a USD 20 million revolving credit facility from its two largest shareholders Scorpio Holdings Limited and BT Larsen & Co Ltd. The Facility carries an interest rate of 15% per annum, is on market terms, is unsecured, will not be amortizing and any drawn amounts are to be repaid on or before 31 March 2026. BT Larsen & Co Ltd is a company closely associated with Bjørn Tore Larsen, the CEO of the Company.

On 29 November 2024, the Company secured a USD 6.3 million revolving credit facility from BT Larsen & Co Ltd. Amounts drawn under the facility will carry interest at a rate of 15% per annum. A commitment fee of 4.5% per annum will apply on any undrawn part of the facility. BT Larsen & Co Ltd is a company closely associated with Bjørn Tore Larsen, the CEO of the Company.

These related party transactions are carried out on an arm's length basis.

Note 16 Financial assets and liabilities at amortised cost

The Parent's financial assets and liabilities measured at amortized cost were as follows:

(in thousands of USD)	31 DEC 2024
Financial assets	
Aircraft lease deposits	16,502
Other non-current assets: Maintenance reserve contributions	32,338
Lease receivables from subsidiaries	728,973
Intercompany non-current receivables	3,383
Lease receivables from subsidiaries - current portion	62,601
Trade and other receivables	224
Intercompany receivables	4,301
Other current assets	8,505
Cash and cash equivalents	3,572
Total financial assets at amortised cost	810,399
Financial liabilities	
Shareholder loan	2,056
Lease liabilities non-current	6,791
Trade and other payables	5,727
Lease liabilities current	6,469
Total financial liabilities at amortised cost	11,044
	800
Total net financial assets (liabilities) at amortised cost	(10,645)

Note 17 Provision

(In thousands of USD)	2024	2023
Opening balance 1 Jan	30,642	28,423
Provisions transferred to subsidiaries	(4,194)	(1,393)
Interest charge on discounted provisions	3,434	3,612
Closing balance 31 Dec	29,882	30,642
Of which:		
Due within 12 months	-	-
Due after 12 months	29,882	30,642

Note 18 Events after the reporting period

For events after the Reporting period, refer to [note 23](#) of the disclosures of the Consolidated Financial Statements.

Responsibility Statement

Today, the Chief Executive Officer and the Board of Directors reviewed and approved the Board of Directors' Report and the consolidated and separate annual financial statements for Norse Atlantic ASA as of 31 December 2024.

The consolidated financial statements and separate annual financial statements have been prepared in accordance with IFRS® Accounting Standards and IFRIC as adopted by EU, European Single Electronic Format (ESEF) regulations, European Sustainability Reporting Standards (ESRS), EU taxonomy (Article 8 of EU Regulation 2020/852), as well as additional information requirements as per the Norwegian Accounting Act.

We confirm to the best of our knowledge that:

- The 2024 financial statements for the Company have been prepared in accordance with applicable accounting standards and additional Norwegian disclosure requirements in the Norwegian Accounting act
- The 2024 consolidated financial statements have been prepared in accordance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act
- The information in the financial statements gives a true and fair view of the Company's assets, liabilities, financial position and result as of 31 December 2023
- The 2024 sustainability statement has been prepared in accordance with requirements of the Norwegian Accounting Act, European Sustainability Reporting Standards (ESRS) and the EU taxonomy

Arendal, 29 April 2025

Terje Bodin Larsen

Chair of the Board

(Signed electronically)

Aase Kristine Mikkelsen

Member of the Board

(Signed electronically)

Timothy Sanger

Member of the Board

(Signed electronically)

Marianne Økland

Member of the Board

(Signed electronically)

Bjørn Kjos

Member of the Board

(Signed electronically)

Bjørn Tore Larsen

Chief Executive Officer

(Signed electronically)

Jan Mathias Lindborg

Member of the Board,

employee representative

(Signed electronically)

Synne-Linnea Einarsen

Member of the Board,

employee representative

(Signed electronically)

Leif Andre Groland

Member of the Board,

employee representative

(Signed electronically)

[illegible]

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 skepticism throughout the audit. We also: • identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one due to error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control. • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. • conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view. • obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the overall supervision and performance of the group audit. We remain solely responsible for our audit opinion. We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.	RSM We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe those matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. Report on Other Legal and Regulatory Requirements Report on Compliance with Requirement on European Single Electronic Format (ESEF) Opinion As part of the audit of the financial statements of Norse Atlantic ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 2549008977474R4V5Z9M8S-2024-12-31-0-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/881 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-3 of the Norwegian Accounting Act of 1998, and the requirements of the ESEF Regulation. We have also performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report in XHTML format and XBRL tagging of the consolidated financial statements. In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation. Management's Responsibilities Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary. Auditor's Responsibilities Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – Assurance engagements to obtain reasonable assurance about whether the financial statements have been prepared in accordance with the ESEF regulation. The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation. As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are prepared in accordance with the ESEF Regulation. We evaluate the completeness and accuracy of the XBRL tagging of the consolidated financial statements included in the annual report. Our procedures include the reconciliation of the XBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Attestat, 29 April 2025 RSM Norge AS <i>Eirik Halvorsen</i> Eirik Halvorsen State Authorised Public Accountant
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Ansökningsperioden avslutas den 15 februari 2024 för 926645986



- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

As of: 29 April 2025
RSM Norge AS


Eirik Halvorsen
State Authorised Public Accountant – Sustainability Auditor

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Norse Atlantic ASA
Fløyveien 14,
4838 Arendal, Norway

flynorse.com



Our date 21.07.2021	Your date 29.06.2021	Case officer Vibeke Horne
800 80 000 skatteetaten.no	Your reference AR436592797	Telephone +4790518192
Org. nr: 974761076	Our reference 2021/6078309	Postal address Postboks 9200 Grønland 0134 OSLO

NORSE ATLANTIC ASA
Sandvigveien 19
4816 KOLBJØRNSVIK

Confidential

Callers from abroad, please call +47 22 07 70 00

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.