

Prospectus



NORSE ATLANTIC ASA

(a public limited liability company incorporated under the laws of Norway)

**Subsequent Offering of up to 60,000,000 Offer Shares at an Offer Price of NOK 2.50 per Offer Share
Subscription Period from 09:00 hours (CEST) on 12 April 2023 to 17:30 hours (CEST) on 19 April 2023
Listing of the Shares on the Euronext Expand**

The information in this prospectus (the "**Prospectus**") has been prepared by Norse Atlantic ASA ("**Norse Atlantic**" or the "**Company**" and, together with its consolidated subsidiaries, the "**Group**"), in connection with a subsequent repair offering (the "**Subsequent Offering**") and the listing of all of the Company's shares (the "**Shares**") on Euronext Expand, a stock exchange being part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**") expected on or around 28 April 2023 (the "**Listing**"). The Subsequent Offering comprises an offer of up to 60,000,000 new shares in the Company, each with a nominal value of NOK 1.25 (the "**Offer Shares**"), at an offer price of NOK 2.50 per Offer Share (the "**Offer Price**").

The Subsequent Offering is directed towards existing holders of the Company's Shares as of 24 November 2022 (as registered in the Norwegian Central Securities Depository, Euronext Securities Oslo (the "**VPS**") two trading days thereafter, on 28 November 2022 (the "**Record Date**"), who (i) were not included in the wall-crossing phase of the private placement of 120,000,000 new shares completed on 25 November 2022 (the "**Private Placement**"); (ii) were not allocated shares in the Private Placement and (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (the "**Eligible Shareholders**").

Each Eligible Shareholder will receive 2.10350 non-tradeable subscription rights (the "**Subscription Rights**") for each share held by such Eligible Shareholder in the Company as of the Record Date. Each Subscription Right will, subject to applicable securities laws, give the preferential right to subscribe for, and be allocated, one Offer Share in the Subsequent Offering, rounded down to the nearest whole share. Over-subscription will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions. Subscription without Subscription Rights will not be permitted.

The Shares have since 12 April 2021 been admitted to trading on Euronext Growth Oslo, a multilateral trading facility operated by Oslo Børs ASA ("**Euronext Growth**") under the ticker code "NORSE". On 10 March 2023, the Company applied for the Shares to be admitted to trading and listed on Euronext Expand. Upon Listing, the Shares will be deregistered from Euronext Growth and will be admitted to trading through the facilities of Euronext Expand.

The subscription period will commence on 12 April 2023 at 09:00 and end on 19 April 2023 at 16:30 hours, Central European Summer Time ("**CEST**") (the "**Subscription Period**"). Subscription Rights that are not used to subscribe for Offer Shares before the expiry of the Subscription Period will have no value and will lapse without compensation to the holder. The due date for payment of the Offer Shares is on 25 April 2023 (the "**Payment Date**"). The Offer Shares will when issued be registered in the VPS in book-entry form and are expected to be delivered to the applicant's VPS account on or around 28 April 2023. Trading in the Offer Shares on Euronext Expand is expected to commence on the same date, under the ticker code "NORSE".

Investing in the Shares involves a high degree of risk. Any prospective investors should read the entire Prospectus, and in particular consider Section 2 "**Risk factors**" beginning on page 11 when considering an investment in the Company. The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or with any securities regulatory authority of any state or other jurisdiction in the United States, and are being offered and sold: (i) in the United States only to persons who are QIBs in reliance on Rule 144A or another available exemption from, or in a transaction not being subject to, the registration requirements under the U.S. Securities Act and (ii) outside the United States in compliance with Regulation S. Prospective investors are hereby notified that any seller of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. The distribution of this Prospectus and the offer and sale of the Offer Shares may be restricted by law in certain jurisdictions. Persons in possession of this Prospectus are required by the Company and the Managers to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities laws of the relevant jurisdiction. Reference is made to Section 17 "**Selling and transfer restrictions**".

Managers:



Pareto Securities AS



SpareBank 1 Markets AS

The date of this Prospectus is 11 April 2023

IMPORTANT INFORMATION

This Prospectus has been prepared by the Company solely for use in connection with the Subsequent Offering and the Listing of the Shares on Euronext Expand. Please see Section 19 "Definitions and Glossary" for definitions of terms used throughout this Prospectus.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**EU Prospectus Regulation**"), and as implemented in Norway in accordance with section 7-1 of the Norwegian Securities Trading Act. This Prospectus has been prepared solely in the English language. This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*, the "**Norwegian FSA**"), as the competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Prospective investors should make their own assessment as to the suitability of investing in the securities.

The Company has engaged Pareto Securities AS and SpareBank 1 Markets AS to act as managers and bookrunners in the Subsequent Offering (herein referred to as the "**Managers**").

No person is authorized to give information or to make any representation concerning the Group in connection with the Subsequent Offering other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Company or the Managers, or by any of their affiliates, representatives or advisors or selling agents of any of the foregoing.

Law may in certain jurisdictions restrict the distribution of this Prospectus and the offer and sale of the Shares and the granting or use of the Subscription Rights. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Shares or Subscription Rights in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of the Shares or Subscription Rights to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except as permitted by applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about, and to observe, any such restrictions. In addition, the Shares and the Subscription Rights are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. For further information on the sale and transfer restrictions of the Shares, see Section 17 "Selling and transfer restrictions".

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and the Subscription Rights and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the closing of the Subscription Period, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Shares or Subscription Right, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Investing in the Shares involves a high degree of risk. See Section 2 "*Risk Factors*".

In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the terms of the Subsequent Offering, including the merits and risks involved. Neither the Company, the Managers, the Receiving Agent, any of their respective affiliates, representatives, advisers or selling agents, are making any representation to any offeree or purchaser of the Shares or the Subscription Rights regarding the legality or suitability of an investment in the Shares or the Subscription Rights. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Shares or the Subscription Rights. In the ordinary course of their businesses, the Managers and certain of their respective affiliates have engaged, and may continue to engage, in investment and commercial banking transactions with the Company and its subsidiary.

Norwegian law governs this Prospectus and the Subsequent Offering. The courts of Norway, with Oslo as legal venue, have exclusive jurisdiction to settle any dispute that may arise out of or in connection with the Subsequent Offering or this Prospectus.

NOTICE TO INVESTORS IN THE UNITED STATES

The Offer Shares have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not passed upon the merits of the Subsequent Offering or confirmed the accuracy or determined the adequacy of this Prospectus. Neither the U.S. Securities and Exchange Commission nor any other state securities commission have approved or disapproved this Prospectus or the issue of the Offer Shares, or passed upon or endorsed the merits of the Subsequent Offering or the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offense under the laws of the United States.

The Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States for offer or sale as part of their distribution and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws.

Accordingly, the Offer Shares are being offered and sold: (i) in the United States only to QIBs in reliance on Rule 144A or pursuant to another available exemption from the registration requirements of the U.S. Securities Act and (ii) outside the United States in compliance with Regulation S. For certain restrictions on the sale and transfer of the Offer Shares, see Section 17.2.1 "*The United States*".

Prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Offer Shares, and are hereby notified that sellers of Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities. See Section 17 "*Selling and transfer restrictions*".

In the United States, this Prospectus is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this Prospectus has been provided by the Company and other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Prospectus is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase Offer Shares or subscribe for or otherwise acquire any Shares.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

The Retail Offering is only made to the public in Norway. This Prospectus is only being distributed to and is only directed at, and any investment or investment activity to which the document relates is available only to, and will be engaged in only with (i) persons falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) high net worth bodies, corporate, unincorporated associations and partnerships and trustees of high value trusts falling within Article 49(2)(a) to (d) of the Order, and/or (iii) other persons to whom such investment or investment activity may lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). The Offer Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Shares will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

NOTICE TO INVESTORS IN THE EEA

In any member state of the European Economic Area (the "**EEA**"), other than Norway (each a "**Relevant Member State**"), this communication is only addressed to and is only directed at persons who are "qualified investors" within the meaning of Article 2(e) of the EU Prospectus Regulation. Neither the Company nor the Managers has authorized, nor do they authorize, the making of any offer of Shares through any financial intermediary, other than offers made by the Managers which constitute the final placement of Offer Shares contemplated in this Prospectus.

Each person in a Relevant Member State other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus, who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with the Managers and the Company that:

- a) it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and
- b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) such Offer Shares acquired by it in the Subsequent Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers have been given to the offer or resale; or (ii) where such Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Subsequent Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

See Section 17 "*Selling and transfer restrictions*" for certain other notices to investors.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the

purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other advisor) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer Shares.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The majority of the members of the Company's board of directors (the "**Board Members**" and the "**Board of Directors**", respectively) and the members of the Company's executive management (the "**Management**") are not residents of the United States, and a substantial portion of the Company's assets are located outside the United States. As a result, it may be very difficult for investors in the United States to effect service of process on the Company, the Board Members and the members of the Management in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company, the Board Members or members of the Management under the securities laws of those jurisdictions, or entertain actions in Norway against the Company, the Board Members or members of the Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway.

Similar restrictions may apply in other jurisdictions.

AVAILABLE INFORMATION

The Company has agreed that, for so long as any of the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, it will during any period in which it is neither subject to sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), nor exempt from such reporting requirements by complying with the information furnishing requirements of Rule 12g3-2(b) under the U.S. Exchange Act, provide to any holder or beneficial owners of Shares, or to any prospective purchaser designated by any such registered holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act. The Company is not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act.

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APPENDICES TO THE PROSPECTUS:

APPENDIX A Articles of association of Norse Atlantic ASA

APPENDIX B Subscription form

INCORPORATED BY REFERENCE:

- Annual Financial Statement as of and for the financial years ended 31 December 2021
- Interim Financial Statements as of and for the period from 1 January 2022 to 31 December 2022

1 SUMMARY

SECTION A | INTRODUCTION

(i) Warning

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Shares should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

(ii) The securities:

The Company has one class of shares, and all Shares are equal in all respects. The Shares are registered in book-entry form with the VPS with ISIN NO 0010946445.

(iii) The issuer:

Norse Atlantic ASA, with registration number 926 645 986. and registered address Fløyveien 14, 4838 Arendal, Norway. The Company's LEI code is 2549008P77XR4V5Z8N86.

(iv) The competent authority approving the Prospectus:

The Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*), with registration number 840 747 972 and registered address Revierstredet 3, N-0107 Oslo, Norway.

(v) The date of approval of the Prospectus:

11 April 2023.

SECTION B | KEY INFORMATION ON THE ISSUER

(i) Who is the issuer?

The Company was incorporated on 1 February 2021 and is a public limited liability company with registration number 926 645 986, organized and existing under the laws of Norway pursuant to the Norwegian Public Companies Act. The Company's LEI code is 2549008P77XR4V5Z8N86.

The Company's registered address is Fløyveien 14, 4838 Arendal, Norway, and its website is <https://flynorse.com/>.

The Company is a new modern, long-haul, low-cost airline, that provides scheduled air transportation services to connect major cities in Europe and the US using a fleet of state-of-the-art Boeing 787 Dreamliners. The Company aims to be a low-cost long-haul carrier in all aspects of its business, with a demand driven approach focusing initially on leisure travellers and the most profitable transatlantic routes.

The Company was admitted to trading on Euronext Growth Oslo on 12 April 2021.

As of the date of this Prospectus, no shareholder, other than those set out in the table below, holds more than 5% of the issued Shares.

Shareholder	Number of Shares	Percentage
B T LARSEN & CO LIMITED	52,850,311	25.6%

As of the date of this Prospectus, the Management consists of the following individuals:

- Bjørn Tore Larsen, CEO

- Charles Duncan, President
- Thom-Arne Norheim, Chief Operations Officer & Accountable Manager Norway
- Ben Boiling, Chief Financial Officer
- Ted Hutchins, Chief Information Officer
- Kristin Berhelsen, Chief Culture Officer
- Michael Scheurich, Chief Legal Officer
- Frode Berg, General Legal Counsel

The Company's independent auditor is RSM Norge AS, with registration number 982 316 588 and registered address Ruseløkkeveien 30, 0251 Oslo, Norway.

(ii) What is the key financial information regarding the issuer?

Financial information in the Prospectus has been derived from the following financial statements (together, the "**Financial Information**"):

- 1) Audited consolidated financial statements for the Company as of and for the financial year ended 31 December 2021 (the "**Annual Financial Statements**"), prepared in accordance with the International Reporting Standards and the interpretations provided by IFRS Interpretations Committee as approved by the EU ("**IFRS**"). The Annual Financial Statements are presented in USD and have been audited by RSM Norge AS; and
- 2) Unaudited interim financial statements for the Company as of and for the period from 1 January 2022 to 31 December 2022 (the "**Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU ("**IAS 34**"). The Interim Financial Statements are presented in USD and have not been subject to audit review.

Prior to 2022, the Company used an accounting method with respect to determination of the rate implicit in the lease where an average interest rate of 1% had been applied on leases. During a review of the aircraft lease accounting in 2022 together with the Company's auditor, RSM Norge AS, the Company identified an error in the determination of the rate implicit in the lease, and decided to change the method from 1 January 2022 with retrospective impact. This means that interest rate implicit in leases is increased from an average of 1% to an average of 2.48%, affecting the right of use asset of aircrafts, as well as lease liabilities. Following this adjustment in accounting method, comparative figures for the period from 1 February 2021 to 31 January 2021 have been restated in accordance with the International Accounting Standard 8 "*Accounting Policies, Changes in Accounting Estimates and Errors*" as adopted by the EU ("**IAS 8**"). Consequently, comparable figures for 2021 in this Prospectus are presented as restated.

Consolidated income statement

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated	From 1 February 2021 to 31 December 2021
	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Revenue		-	-
Total operating expenses, excluding depreciation, amortization, and aircraft leases	(164,591)	7,631	(7,631)
Operating results	(146,104)	(7,946)	(7,962)
Profit/(loss) before tax	(174,974)	(6,996)	(7,190)

Consolidated statement of financial position

<i>(in thousands of USD)</i>	31 December 2022	31 December 2021 restated	31 December 2021
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	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Total assets	1,090,240	254,510	276,950
Total equity	10,535	156,585	156,390

Consolidated cash flow statement

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated	From 1 February 2021 to 31 December 2021
	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Cash flow from operating activities	(76,796)	(5,537)	(6,212)
Cash flow from investing activities	(10,734)	(24,411)	(23,778)
Cash flow from financing activities	22,589	163,502	163,502
Cash and cash equivalents at the end of the period	64,709	134,252	134,252

Pro forma financial information

Not applicable. The Prospectus does not contain pro forma financial information.

(iii) **What are the key risks that are specific to the issuer?**

Risks associated with the Group's business and industry in which it operates:

- The Company is exposed to risks related to being a newly established airline company
- The Group may experience capacity constraints at airports or an inability to acquire new and maintain existing airport slots or transit rights
- The Group is exposed to risks related to the scale of operations and the successful management of growth
- The Group is dependent on leasing aircraft on commercially viable terms and at specific times, the terms of which are based on the Group's growth plans
- The Group is vulnerable to small changes in demand or sales prices due to high fixed costs for airline businesses
- The Group is vulnerable to small changes in costs, especially in relation to personnel and/or maintenance costs
- The Group is exposed to volatile aviation fuel prices
- Interruptions in information technology systems and cyber security issues could adversely affect the Group's business
- The Group is exposed to the risk of significant loss from aviation accidents involving its operations, including plane crashes, and other disasters
- The Group is dependent on its capability to attract, train and retain qualified airline personnel
- The Company operates within a highly competitive industry and may not be able to compete successfully
- The Group is subject to risks related to the volatility of global economic and social conditions
- The airline industry is exposed to extensive taxes, fees and charges that can affect the demand
- The airline industry has been and will continue to be impacted by climate change, the limitation of greenhouse gas emissions and any changes to environmental legislation, and is exposed to risks associated with changes in consumer attitudes

Risks related to laws and regulations:

- The Group is dependent on maintaining its air operating certificate and operating licenses
- The operations and development of the Group is dependent on traffic rights
- Airlines are subject to extensive and complex regulations, which can restrict, hinder or delay the Group's activities
- The Group is exposed to risks relating to data protection and data privacy regulations, licenses etc.
- The Group is exposed to risks related to strikes and other work-related disruptions

SECTION C | KEY INFORMATION ON THE SECURITIES

(i) What are the main features of the securities?

All of the Shares are common shares of the Company and have been created under the Norwegian Public Companies Act. The Shares are registered in book-entry form with the VPS and have ISIN NO 0010946445.

The Shares will be traded in NOK on the Oslo Stock Exchange. As of the date of this Prospectus, the Company's registered share capital is NOK 257,605,392.50, divided into 206,084,314 Shares, each with a nominal value of NOK 1.25.

The Company has one class of shares in issue. In accordance with the Norwegian Public Companies Act, all Shares provide equal rights in the Company, including rights to dividend and voting rights. Each Share carries one vote.

The Shares are freely transferable. The Articles of Association do not provide that Share transfers are subject to approval by the Board of Directors or a right of first refusal for the Shares.

Pursuant to Norwegian law, the shareholder rights attaching to the Shares are subordinated any other Company creditor in the event of insolvency.

The Company has not distributed dividends since its incorporation. The Company is currently in a growth phase and will seek to deploy available capital towards growth initiatives. Beyond the growth phase, it is the Company's ambition to pay dividends to shareholders as soon as it considers itself to be in a position to do so and when it is considered to be in the general interest of the shareholders.

(ii) Where will the securities be traded?

The Shares have since 12 April 2021 been admitted to trading on Euronext Growth. On 10 March 2023, the Company applied for the Shares to be admitted to trading and Listing on the Euronext Expand.

Upon Listing, the Shares will be deregistered from Euronext Growth and will be admitted to trading through the facilities of the Oslo Stock Exchange. Trading in the Shares on the Euronext Expand is expected to commence on or around 28 April 2023 under the ticker code "NORSE".

The Company has not applied for admission to trading of the Shares on any other stock exchange, regulated market or multilateral trading facility (MTF).

(iii) What are the key risks that are specific to the securities?

- The Company may or may not pay any dividend in the foreseeable future
- The Company may need additional equity and new equity raises in the future may have a substantial dilutive effect
- The Company is subject to ownership restrictions for non-EEA nationals

SECTION D | KEY INFORMATION ON THE SUBSEQUENT OFFERING AND THE ADMISSION TO TRADING ON A REGULATED MARKET

(i) Under which conditions and timetable can I invest in this security?

The Subsequent Offering consist of an offer of 60,000,000 Offer Shares at an offer price of NOK 2.50 per Offer Share, directed towards Eligible Shareholders. Eligible Shareholders will receive non-tradeable Subscription Rights based on their shareholding as of the Record Date, which will, subject to applicable securities laws, give a preferential right to subscribe for, and be allocated, Offer Shares in the Subsequent Offering.

The key dates in the Offering are set out below. The Company, in consultation with the Managers, reserves the right to extend the Subscription Period time and at its sole discretion.

Last day of trading in the Shares including Subscription Rights.....	24 November 2022 at 09:00 CET
First day of trading in the Shares excluding Subscription Rights.....	25 November 2022 at 16:30 CET
Record Date.....	28 November 2022

Commencement of Subscription Period	On or around 12 April 2023 at 09.00 CEST
End of Subscription Period.....	On or around 19 April 2023 at 16.30 CEST
Allocation of the Offer Shares.....	On or around 20 April 2023
Publication of results of the Subsequent Offering.....	On or around 20 April 2023
Distribution of allocation letters.....	On or around 21 April 2023
Payment Date.....	On or around 25 April 2023
Registration of the share capital increase pertaining to the Subsequent Offering.....	On or around 26 April 2023
Delivery of the Offer Shares.....	On or around 28 April 2023
Listing and commencement of trading in the Offer Shares on Euronext Expand.....	On or around 28 April 2023

The Shares have since 12 April 2021 been admitted to trading on Euronext Growth. Trading in the Shares on Euronext Expand is expected to commence on or around 28 April 2023 under the ticker code "NORSE".

The Offer Shares in the Subsequent Offering will be allocated to Eligible Shareholders who have subscribed for Offer Shares by exercise of Subscription Rights. Any Offer Shares remaining of the Subsequent Offering that has not been allocated on the basis of Subscription Rights will be allocated to Eligible Shareholders who have oversubscribed, pro rata based on the number of Subscription Rights exercised by such Eligible Shareholder. In the event that pro rata allocation is not possible due to the number of remaining Offer Shares, the Company will determine the allocation by lot drawing. Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Offer Shares allocated. No fractional Offer Shares will be allocated. The Company reserves the right to round off, reject or reduce any subscription for Offer Shares.

If all Offer Shares are issued, the Company's total costs and expenses of, and incidental to, the Subsequent Offering and the Listing are estimated to amount to approximately NOK 10.5 million.

(ii) Why is this Prospectus being produced?

This Prospectus has been prepared in connection with the Subsequent Offering and in order to facilitate for the Listing and subsequent trading of the Shares on Euronext Expand.

The Company believes that the Listing will:

- enable the Company to realize growth potential and strengthen its position in the global aviation segment;
- diversify and increase the Company's shareholder base and enable other investors to take part in the Group's future growth and value creation;
- provide a market place for the Shares and give the Company improved access to the capital markets for potential future funding;
- enhance the Group's profile with investors and business partners; and
- open up for investors and investor products that require a regulated stock exchange, including AKS accounts for retail investors and funds that have regulated market-qualifications as a part of their mandate.

The Subsequent Offering is initiated to limit the dilutive effect of the Private Placement by enabling Eligible Shareholders to subscribe for Offer Shares. In the Private Placement, the pre-emptive rights for subscription of Shares pursuant to the Norwegian Public Limited Companies Act section 10-4 was set aside as the Private Placement was directed to certain existing shareholders and new investors.

The gross proceeds to the Company from the Offering are expected to amount to up to approximately NOK 150 million and net proceeds of approximately NOK 139.5 million, based on estimated total transaction costs of approximately NOK 10.5 million, assuming that all Offer shares are issued, in connection with the Subsequent Offering and the Listing to be paid by the Company.

The Company will use the net proceeds from Subsequent Offering to maintain a targeted cash buffer following a requirement from UK air authorities to invest USD 46 million for use only by the Company's wholly owned UK Subsidiary Norse Atlantic UK ("**Norse UK**"), in order to enable the Company to operate and increase the number of flights operating from the UK (specifically London Gatwick) to the US, to improve its liquidity position in relation to the Company's wholly owned Norway AOC, Norse Atlantic Airways AS ("**Norse Norway**"), as well as for general corporate purposes.

The Managers or their respective affiliates have provided from time to time, and may provide in the future, financial advisory, investment and commercial banking services, as well as financing, to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers will receive a fee in connection with the Subsequent Offering and, as such, have an interest in the Subsequent Offering.

2 RISK FACTORS

An investment in the Company and the Shares involves inherent risk. Investors should carefully consider the risk factors and all information contained in this Prospectus, including the financial statements and related notes. The risks and uncertainties described in this Section 2 "Risk factors" are the material known risks and uncertainties faced by the Group as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 2 are presented in a limited number of categories, where each risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material for the Group, taking into account their potential negative affect for the Group and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision. If any of the following risks were to materialize, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in loss of all or part of an investment in the Shares. Additional factors of which the Company is unaware, or which it currently deems not to be risks, may also have corresponding negative effects.

2.1 Risks associated with the Group's business

2.1.1 *Risks relating to being a newly established airline company*

The Company was incorporated on 1 February 2021 and therefore has a limited operating history. The Group sold its first tickets in end of April 2022 and concluded its first commercial flight on 14 June 2022, and accordingly, as at the date of this Presentation, the Group has limited operational and financial data upon which prospective investors may base an evaluation of the Group.

Routes, network and markets has a maturity period and the airline market is very competitive. As such, the Group, as a newly established airline, may be subject to aggressive and targeted pricing strategies from competitors on the routes it operates, thereby making it more difficult to establish itself and a customer base. The commercial airline industry has historically been subject to seasonal variations in demand, and the Group is therefore dependent on being able to predict variations in demand in order to plan and optimize its operations, and may as a newly established airline have limited operational and historical data to base such predictions and estimates on.

There is no guarantee that the Group will be able to operate as a commercially viable airline in the future, and offer customers airline services for new routes or, if it can, attract customers to it or maintain customers and airline services for existing routes.

2.1.2 *The Group may experience capacity constraints at airports or an inability to acquire new and maintain existing airport slots or transit rights*

In order to effectively implement its growth strategy, the Group is dependent on obtaining agreements with airports to commence flights. Air traffic is limited by the infrastructure of airports and the number of slots available for aircraft arrivals and departures. The Group is dependent on access to the right airports at the locations for its current and contemplated routes and there is no guarantee that the Group will be able to obtain and maintain access at a cost level or on other terms and conditions that are favourable to the Group, which may have a material adverse effect on the Group's earnings. Airports may also introduce new restrictions or limitations relating to, *inter alia*, operational

hours, noise levels, use of runways or total numbers of daily departures, which may affect the Group's ability to offer services at such airports in the future or grow its business as planned.

The Group's operations and business plan are focused on certain key international airports, some of which have limited spare runway capacity, including Gatwick Airport and New York John F. Kennedy Airport, and which are subject to strict and competitive slot regulations. As such, the Group is heavily dependent on being able to obtain and maintain access to such airports at commercially viable terms to successfully implement its strategy.

Certain airports require airlines to hold a slot to land and depart from such airports at a specific time. Airlines can lose their slots if they do not operate flights which use them. A loss of slots and/or the operation of unprofitable flights to protect slots could prevent the Group from flying to key airports in the future and/or have material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may desire to take over additional existing landing rights slots but may not be able to secure such slots for various reasons, such as existing holders not wanting to dispose of such slots, the Group not being able to offer the most attractive commercial terms for such transaction, the Group not being granted the necessary approvals or concessions to take over such slots, or for other reasons. Alternatively, the Group intends to apply to relevant slot allocation bodies in each jurisdiction it plans to operate in and to have initial slots secured. Certain key international airports, including Gatwick Airport and New York John F. Kennedy Airport, have particularly limited access to available landing rights slots and the Group may not be able to get access to such slots on attractive commercial terms, or at all. There is no guarantee that the Group will be able to obtain additional slots at desired locations on commercially viable terms, or at all. If the Group cannot obtain slots at the locations and on terms favourable to the Group, the Group's business, operating results, financial condition, cash flows and/or prospects could be materially adversely affected.

The price and availability of transit rights, which allow airlines to fly over individual countries or territories, as well as the cost of traffic charges, such as arrival, departure and navigation charges, may significantly affect the Group's business. Decisions on slots, transit rights and/or absence of such rights may affect the Group's ability to offer attractive and affordable routes, which may affect customer demand for the Group's services.

2.1.3 Risks related to the scale of operations and the successful management of growth

The Group is targeting growth in its business, and the Group's future financial performance and its ability to sell its services will depend in part on its ability to manage any future growth effectively. The Group has made and expects to continue making investments to enable future growth through, among other things, ramp up of its operations through deployment of further of its leased aircrafts and expanding the routes it operates to new destinations, such as new routes for the 2023 summer season. Any failure to manage future growth effectively could have a material adverse effect on the Group's business, operating results, financial condition, cash flow and/or prospects.

As the Group's development and commercialization plans and strategies for its services continue to develop, it may need additional managerial, operational, sales, marketing, financial and other resources. The Group has also entered into several agreements with suppliers, such as agreements related provision of spare parts, engine maintenance, customer booking software, payment gateways, ground handlers, airport contracts and marketing activities, among others, that will support the Group in its growth phase, and there is a risk that the co-operation with these suppliers may not succeed or proceed as planned. There is no assurance that the Group will be successful in achieving and realising its development and commercialisation plans fully, partially or on time, and its contemplated upscaling of operations. The Group's business, operating result and financial position and the development and commercialisation of its services will continue to depend, in part, on its ability to manage future growth effectively.

2.1.4 The Group is dependent on leasing aircraft on commercially viable terms and at specific times, the terms of which are based on the Group's growth plans

The Group currently has lease agreements in place for 15 aircraft, of which all 15 aircrafts have been delivered. Should the Group not generate sufficient revenue from the operation of its leased aircrafts to cover its expenses to lease and operate such aircraft, the Group's operating result, profit from operations, cash flows and financial position may be adversely affected.

The lease agreements contain customary event of default provisions in accordance with standard market practice, including cross-default provisions between the individual lease agreements. The majority of the aircrafts in the fleet are currently on "power by the hour" flexible lease terms, meaning that the Group only incurs lease payments while the aircrafts are in the air. However, the Group will start to incur fixed lease payment obligations going forward, with certain lease agreements providing a mix between fixed payment obligations and "power by the hour" flexible lease terms. The first aircraft delivered to the Group transitioned to the new lease terms in December 2022. The Group's remaining fleet will transition to such new terms throughout 2023. Should the Group commit an event of default under one or more of the lease agreements, it risks losing access to certain or all of its aircraft which would have a material adverse effect on the Group's business, financial condition, results of operations and future prospects. Further, the Group does not have any agreements in place providing access to additional aircraft in accordance with its further growth plans. If the Group is not successful in leasing the additional aircraft in accordance with its growth plans and at commercially attractive terms, the Group may not be able to offer flights to its contemplated destinations and operate its contemplated routes, which in turn may have a material adverse effect on the Group's potential for income and future prospects.

Moreover, the revenues of the Group is, and will continue to be, fully dependent on consumer bookings, as there are no fixed contracts securing revenues, leaving the Group dependent on projections of future demand and capacity, and on being able to plan the leasing of aircraft accordingly. If the Group's running assumptions and estimates prove to be incorrect, the Group faces the risk of not utilising the full capacity of the aircraft that are leased or acquired by the Group, which would negatively impact the Group's profit from operations.

2.1.5 The Group is vulnerable to small changes in demand or sales prices due to high fixed costs for airline businesses

A significant part of the operating expenses of an airline are fixed costs that cannot be scaled against other factors, such as number of tickets sold, number of passengers or flights flown. This include aviation fees, taxes and charges as well as the cost of aircraft maintenance and employees. This inability to reduce costs in line with the current demand may significantly affect the Group's results from operations. The Group may be particularly vulnerable to these factors as the Group is a relatively newly established start-up and has limited operating history to look to when predicting demand.

2.1.6 The Group is vulnerable to small changes in costs

Even if the Group achieves its operational targets going forth, the total operating costs of the Group are expected to be high compared to revenues, as for airlines in general, and accordingly the Group's future profit (if any) will be sensitive to changes in costs, especially in relation to personnel and/or maintenance costs. As the Group has limited experience in operating and maintaining aircrafts, the maintenance expenses for the coming years may differ materially from what the Group has budgeted, and maintenance costs are a substantial part of the budgeted operating expenses. Should the Group's operating expenses transpire to be higher than what the Group has budgeted for, the Group's prospects, operating results and financial condition will be adversely affected.

2.1.7 The Group is exposed to volatile aviation fuel prices

One of the Group's most material variable costs is, and will continue to be, aviation fuel, and the Group's financial performance will be materially affected by fluctuations in the price and availability of such fuel. Both the cost and availability of aviation fuel are subject to economic and political factors beyond the Group's control. Any increase in

the price of aviation fuel will have a material adverse impact on the Group's profitability. The Group does not currently have any fuel hedging arrangements in place and thus is fully exposed to fluctuations in the aviation fuel prices. The Group makes an ongoing evaluation as to whether entering 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 Group and its prospects.

The military invasion of Ukraine on 24 February 2022, and the continuing war, has caused increased volatility in aviation fuel prices and supply chain issues internationally, including the energy markets. The Group has had increased aviation fuel costs, where the jet fuel price has increased by approximately 50% per the end of 2022 compared to 31 December 2021. There is significant uncertainty regarding how the war and the related sanctions will impact the price of oil and gas and other commodities 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.

2.1.8 Interruptions in information technology systems and cyber security issues could adversely affect the Group's business

The Group's business strategy relies on the efficient and uninterrupted operation of several information technology systems and networks to be able to operate its business. The Group depends on automated information systems and technology, including its computerised airline reservation system, its flight operations system, its website, its telecommunication systems and other automated systems. Thus, the performance and the reliability of information technology are critical to the Group's ability to attract and retain customers and for its ability to compete effectively and implement its commercial strategy. Any internal error, failure or external interruption in information technology infrastructure the Group depends on, such as power, telecommunications or the internet, may also disrupt its information technology network. Any individual, sustained or repeated failure of information technology could impact the Group's customer service, and result in increased costs and damage to the Norse Atlantic brand. The Group's information technology systems and related data may be vulnerable to a variety of sources of interruption due to events beyond its control, including computer viruses, security breaches, cyber-attacks, facility issues, natural disasters, terrorism, war, telecommunication failures or energy blackouts. In addition, the Group has entered into agreements with third party service providers and other vendors which may have access to certain parts of the Group's information technology systems. Any failure or negligence of such service providers or vendors may cause material disruptions to the Group's operations. Although the Group is continually developing its information security and situation-management preparedness for serious disruptions to information systems and telecommunications, these measures may not be adequate or implemented properly to prevent a business disruption.

As most of the Group's revenue is contributed by passenger travel, a functioning online commerce system for ticket sales is essential for its business. A fundamental requirement for online commerce, including sales of tickets online, is the secure transmission of confidential information. The Group may incur significant costs to protect against the threat of security breaches or to alleviate problems caused by any such breaches. Alleviating these problems could cause interruptions, delays or cessations in service to the Group's customers, which could adversely affect the Group's reputation and deter its customers from using its service or lead them to assert claims against the Group.

Any interruption or failure of information technology systems or failure to adequately process and safeguard personal information may result in service disruptions and expose Group to claims for damages and reputational harm. They may also result in the need to make additional investments to improve the resilience and functioning of systems, which may result in additional costs and reduced profitability. Any of these factors may have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

2.1.9 The Group is exposed to the risk of significant loss from aviation accidents involving its operations, including plane crashes, and other disasters

The Group is exposed to significant losses in the event any of its 15 aircrafts are lost, destroyed or involved in an accident, terrorist attack or other disasters. Such losses may follow from, without limitation, passenger claims, repairs or replacement of damaged aircraft and temporary loss of revenue stream. While Norse Atlantic is insured against these occurrences, there can be no assurance that the amount of insurance coverage available to Norse Atlantic upon the occurrence of such an event would be adequate to cover the resulting losses or that it will not be exposed to significant losses as a result of any such event in the future, both financial and reputational. Moreover, costs associated with the repair or replacement of damaged or lost aircraft, resulting in temporary or permanent loss from service of such damaged or lost aircraft and claims by affected passengers, owners and third parties may occur. Failure to prevent or respond promptly and effectively to such an incident could have a material adverse effect on the Group, its businesses, prospects, results of operations and financial condition.

In addition, any accident may have a significant negative impact on the Group's reputation and the public perception of the safety and reliability of the Group's aircraft fleet, which in turn may cause air travellers to be reluctant to fly with the Group and its aircraft fleet, leading to reduced demand for the Group's services.

The materialisation of any of these risks could have a material adverse effect on the Group's reputation, business, operation and financial condition.

2.1.10 The Group is dependent on its capability to attract, train and retain qualified airline personnel

The Group is dependent on qualified airline personnel, in particular pilots, cabin crew and employees with qualifications in scheduling of routes, aircraft maintenance, information technology and sales. The market for qualified personnel may be highly competitive and may from time to time be subject to shortage.

As a newly established airline, the Group's growth plans and success depend on its ability to attract, hire and retain additional highly qualified and skilled personnel. There can be no assurance that the Group will be able to retain employees in key positions, or recruit a sufficient number of new employees with appropriate technical and/or other qualifications, at a cost that enables the Group to remain competitive.

COVID-19 resulted in an extraordinary situation with easy access to personnel in the air travel industry, and the Group has not experienced any difficulty in recruiting qualified personnel as of today. Even if the Group is not currently experiencing any difficulties, other airlines have experienced pilot shortages and difficulties in recruiting other skilled personnel. As such there is no assurance that the Group will be able to retain existing key personnel, recruit the required new key personnel in the future, or recruit new personnel at a cost that enables the Group to remain competitive. Any failure to do so could have material and adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects. If the Group experiences a shortage of skilled personnel it may not be able to carry out its growth strategy effectively and ramp-up production as planned. Further, any failure to effectively integrate new personnel could prevent the Group from successfully growing.

The materialisation of any of the above risks may have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

2.1.11 Risks related to the Group's international operations

The Group operates internationally, with operations and subsidiaries located in several jurisdictions. As of the date of this Prospectus, the Group has subsidiaries, branches and/or activities in Norway, the United Kingdom, Germany Italy, France and the U.S. As such, the Group's operations are consequently subject to risks inherent in international business operations, including, but not limited to, general economic conditions in each country in which the Group operates, overlapping and differing tax structures, problems related to management of an organisation spread over various countries, unexpected changes in regulatory requirements, compliance with a variety of local laws and regulations, and longer accounts receivable payment cycles in certain countries.

In the future, the Company also may commence operations to new countries, including in the Caribbean region, which are deemed to be of higher risk from a corruption perspective than the jurisdictions which the Group is currently operating in. Operations in regions with a higher corruption risk will expose the Group to corruption risk, increase the complexity of the Group's operations and entail increased use of resources and costs to compliance-related work and management. Violations by the Group of anticorruption, anti-bribery, anti-money laundering and sanctions laws and regulations could result in criminal liability, administrative and civil lawsuits, significant fines and penalties, forfeiture of significant assets, as well as reputational harm.

2.2 Risk factors related to the industry and market in which the Group operates

2.2.1 The industry in which the Group operates is highly competitive

The Group operates within a highly competitive industry. Norse Atlantic competes with a number of other airlines serving the transatlantic market, including United Airlines, Delta Air Lines, JetBlue Airways, American Airlines, Air Canada, British Airways, Virgin Atlantic, Emirates and Air France. Many of these competitors are larger companies, with both significant resources and strong brand recognition. In addition, new competitors may enter the market with the same or similar business objectives to the Group. Such competitors may be able to have an even lower cost base than the Group and accordingly be able to operate at commercially more attractive terms than the Group. Even though the Group's strategy is to dynamically adapt and optimise scale and production in line with the at all time demand to keep the Group's business profitable on a lower scale of operation, there are no guarantees that it will succeed with such strategy. A failure to adapt in accordance with marked demand may have a material adverse effect on the Group's business, financial condition, operating result and future prospects.

2.2.2 The Group is subject to risks related to the volatility of global economic and social conditions

The development of the airline industry has historically been correlated to macroeconomic developments, making the industry sensitive to general conditions as well as to slow or moderate growth and private consumption trends. Airline fares, freight rates and passenger demand have fluctuated significantly in the past and may fluctuate significantly in the future. A negative development in macroeconomic conditions may have a negative adverse effect on the demand for air travel and air freight services and result in loss of revenue and additional costs for the Group, which may have a material adverse effect on the Group's business, financial conditions, results of operations and future prospects.

A number of macroeconomic factors impact the air travel industry and will affect the demand for the Group's current and prospective services. Since leisure travel is a discretionary consumer expense, spending on leisure travel is based on disposable income and economic conditions of consumers. Adverse developments such as economic recession, inflation, an increase in unemployment rates, or increases in interest rates, direct or indirect taxes or the cost of living could reduce consumers' disposable income, resulting in a significant reduction in demand for air travel.

Economies globally, including Norway, have been, *inter alia* due to the war in Ukraine, and may in the future be, impacted by higher fuel and energy prices, increased food prices, hiked interest rates and high inflationary pressures, and may experience periods of declining economic growth or recession, which in turn have had and could in the future have a negative impact on the demand for the Group's services.

There is also a risk that the COVID-19 pandemic has fundamentally changed the travel industry to the detriment of airlines. For example, the pandemic has forced meetings that would previously have been held in person to be held on virtual platforms and leisure travellers are choosing domestic or close to home alternatives, a trend which may continue and negate the need for certain business travel going forward. In particular, travellers with low cost airlines, such as the Group, may be sensitive to these trends and accordingly such trends may have an even higher impact on low cost airlines than the airline industry in general.

2.2.3 *Demand for airline travel is subject to strong seasonal variations*

The commercial airline industry has historically been subject to seasonal variations where demand is relatively high between May and October and relatively low between November and April. The Group is dependent on being able to predict variations in demand in order to plan and optimize its operations, and may as a newly established airline have limited operational and historical data to base such predictions and estimates on. If the Group is not able to predict variations in demand correctly, and plan its operations accordingly, the Group's flights may become subject to over- or under capacity, which in turn may negatively affect the Group's business, financial condition, income or operating result.

Moreover, it is still uncertain as to the impact the COVID-19 and the related restrictions has had on consumers' flying patterns and frequency in the future. If demand for air travel does not increase at the rate anticipated by the Group, this may have a material adverse effect on the Group's operation activities and future growth, which may in turn have a material impact on the Group's future income and financial condition.

The Group is also dependent on being able to predict and adapt to changes in customer behaviour and preferences. For example, there is an increasing trend of consumers booking travel nearer to the time of travel than what has historically been the case. This change in booking behaviour may make seasonal planning and capacity adjustments more difficult for the Group, which in turn may have a material adverse impact on the Group's working capital. This risk is further increased by the Group having high fixed costs and variable revenues.

2.2.4 *Geopolitical tensions and political uncertainty may have a material adverse effect on the demand for international air travel*

Factors such as war, geopolitical uncertainty, trade wars, the threat of terrorism and other potential external disruptions may significantly affect the demand for air travel and consequently Norse Atlantic's operations.

On 24 February 2022, Russian military forces launched a military invasion of Ukraine, and a sustained conflict and disruption in the region is likely. The geopolitical situation in Ukraine and Eastern Europe has and is also expected to continue to have a significant impact on the oil and gas market. Although the length, impact and outcome of the ongoing war in Ukraine is highly unpredictable, the conflict has led to significant market and other disruptions, including significant volatility in commodity prices, financial markets, supply chain interruptions, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage. While the Group's operations are not located in either Russia or Ukraine, its business, prospects, financial condition and results of operations depend substantially upon aviation fuel prices, which have been affected by the war. The war in Ukraine and related and other geopolitical tensions, such as the economic sanctions from the United States and the European Union against Russia and the continuing trade tensions between the United States and China - may continue to have an adverse effect on the global economic environment, and may affect the aviation industry as a whole, but in particular Norse Atlantic given its strong focus on international air travel.

Any increased political uncertainty or escalation of geopolitical tensions may lead to disruptions to Norse Atlantic's operations. Such disruptions may result in increased costs of operations and lead to a negative impact on the demand for air travel and air freight, all of which may have a material adverse effect on the Group's business, financial condition, results of operation and future prospects.

2.2.5 *The airline industry is exposed to extensive taxes, fees and charges that can affect the demand*

The airline industry is subject to numerous fees and charges, such as ticket and passenger taxes, aviation and licence fees, take-off charges, emission charges, noise charges and terminal navigation charges, which will comprise a substantial part of the Group's operating costs. Current airport fees may be increased for several reasons, e.g. due to new security measures. Airline taxes and charges are normally imposed by national legislation and may regularly be subject to adjustments. Any increase of existing, or the introduction of new, airport or flight taxes and charges may lead to increased costs for the Group. Even if the Group to some extent can pass new fees

and taxes onto customers through ticket prices, increased prices may significantly impact the Group's competitiveness in the commercial air travel market as more established airlines, to a greater extent, may be able to bear the cost of new fees and taxes. Moreover, increased flight taxes and fees may in general reduce the demand for air travel. Accordingly, any increase in taxes and fees may substantially affect the Group's income and/or operating result.

2.2.6 The airline industry has been and will continue to be impacted by climate change, the limitation of greenhouse gas emissions and any changes to environmental legislation, and is exposed to risks associated with changes in consumer attitudes

Vulnerability to the effects of global warming and climate change has the potential to affect the Group's operations and business. Climate change has resulted in more volatile weather, such as a greater frequency and intensity of storms, which could disrupt the Group's operations by reducing handling capacity at airports. Any increase in delayed or cancelled flights could increase disruption compensation costs and reduce revenue, as well as have an adverse effect on the Group's reputation.

The Group is also exposed to risks associated with the limitation of greenhouse gas emissions and environmental regulation and legislation, in addition to measures that may be introduced in the future. The European Union introduced the Emissions Trading Scheme (the "EU ETS") in 2003 to limit greenhouse gas emissions and the trading allowances which applies to the airline industry. Furthermore, the UK Government has established the UK Emissions Trading System ("UK ETS"), which also applies to the aviation sector. The number of offsets required to be purchased under these schemes, and any increase in such number, could have an adverse impact upon demand for air travel and/or reduce the profit margin per ticket for the Group. It is difficult to predict how and when any stricter environmental regulations will be imposed, but further regulations on greenhouse gas emissions may be enacted in one or more of the countries in which the Group operates.

Moreover, the Group may experience reduced demand for its services if customers become more reluctant to travel by air because of the increased focus on the environmental impact of air travel. All of these factors may limit the Group's operational flexibility, increase costs or reduce demand for international air travel and therefore could have a material adverse effect on the Group's business, prospects, results of operations and financial condition.

2.3 Risks related to the Group's financial position

2.3.1 The Group may require additional financing to carry out its growth strategy, and be unable to obtain it on commercially favourable terms

As a newly established airline, the Group's future capital needs may be uncertain and may be affected by factors beyond the Group's control, including seasonal variations and changes in the global economic environment. As such, the Group may need to seek additional financing in the future to carry out its growth strategy and compete effectively. If the Group is unable to obtain capital on commercially favourable terms, it may reduce funds available to the Group for purposes such as working capital, capital expenditures, strategic acquisitions and other general corporate purposes, restrict the Group's ability to introduce new routes and offerings or exploit business opportunities, increase the Group's vulnerability to economic downturns and competitive pressures in the markets in which it intends to operate and place the Group at a competitive disadvantage.

2.3.2 The Group is subject to counterparty credit risk in relation to its sub-leased fleet

The Group's fleet currently consists of 15 delivered aircrafts, five of which are currently sub-leased to a third-party lessee. All sub-leases are for a total period of 18 months from the date of delivery of the aircraft. Sublease agreements have and will be entered into on standard market terms.

Although the lessees have serviced their financial obligations to the Group on time, the ability of the lessees to perform its financial obligations to the Group depends on a number of factors which are beyond the control of the

Group, including, but not limited to, general economic conditions and the airline industry. To reduce the credit risk, the lessee has paid a deposits equivalent to one month's rent per aircraft.

No assurance can be given that the Group would be able to sub-lease out its aircrafts on equal or better terms than under current sub-lease agreements in the event the current lessees should become unable to fulfil its obligations towards the Group.

2.3.3 *Exchange rate fluctuations may affect the Group's financial condition or operating results*

Fluctuations in exchange rates, particularly between USD and GBP, NOK and USD, NOK and EUR, and NOK and GBP may have a material adverse effect on the Group. It is anticipated that the Group's foreign exchange risk will continue to mainly arise from aviation fuel purchases, aircraft maintenance, aircraft leasing payments and sales revenue denominated in foreign currencies. Large fuel costs and aircraft lease payments are primarily made in USD. NOK and GBP are in turn important revenue currencies in the Group's operations. Since a significant portion of the Group's sales are denominated in currencies other than the USD, and the Group reports its financial results in USD, it is consequently subject to currency conversion risk. Further, Norse Atlantic does not currently have any fuel hedging arrangements in place and is thus fully exposed to fluctuations in fuel prices and related foreign exchange losses. Consequently, increases and decreases in the value of the USD versus other currencies will affect the amount of these items in the Group's consolidated financial statements, even if their value has not changed in their original currency. These conversions could result in significant changes to the Group's results of operations from period to period. The materialisation of any of the above risks may have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

2.4 **Risks related to laws and regulations**

2.4.1 *The Group is dependent on maintaining its air operating certificate and operating licenses*

In order to perform its air traffic activities, the Group is dependent on keeping its air operating certificates ("**AOCs**") from the Civil Aviation Authority of Norway (the "**NCAA**") and the UK Civil Aviation Authority (the "**UK CAA**"). In order to maintain the AOCs, the Group must comply with stringent requirements for procedures, routines and documentation for handling of its air traffic operations (e.g. technical and safety procedures both in air and on the ground) and financial covenants. The Group is also dependent on maintaining qualified personnel to serve as nominated post holders of the different parts of the Group's operations, who must demonstrate their knowledge of the Group's procedures and be approved by the NCAA and the UK CAA. Moreover, the Group must also hold operating licenses for transportation of passengers in commercial air traffic from the NCAA and UK CAA ("**Operating Licenses**"), as well as various other licenses and certificates for each of its aircrafts.

Additionally, the Group's Norwegian subsidiary Norse Norway has obtained a foreign air carrier permit ("**FACP**") from the US Department of Transport ("**DOT**"), enabling the subsidiary to operate scheduled and charter passenger and cargo flights between Europe, Norway, Iceland and the U.S., as well as behind and beyond points. On 5 January 2023, the DoT issued a separate FACP to the Group's UK subsidiary Norse UK, enabling the UK subsidiary to operate scheduled and charter passenger and cargo flights between the U.K. and the U.S. as well as behind and beyond points. US FACP's give rights to airlines to operate to and from the U.S. in perpetuity, subject to conditions related to safety, security and operational standards. The FACP given to the UK subsidiary is based on the U.S. waiving their ownership obligations. A significant change in ownership nationality of Norse could trigger a review into the validity of the FACP.

There are no guarantees that the Group will be able to fulfil all of the requirements of the NCAA, the UKCAA and the DOT in the future and retain its AOCs, Operating Licenses and FACP's in order to continue its activities. If the Group's regulatory approvals are removed or suspended, this would be detrimental for the Group's business and involve severe financial risks as the Group will have to cease operations.

Even if regulatory approvals are maintained, the Group is still dependent on maintaining and executing new agreements with all relevant airports for its current and desired routes from and to such sites. If the Group is not able to maintain or execute new commercially viable agreements with airports for its current and contemplated air routes, the Group may have to make significant amendments to its business and strategy, and there is no guarantee that the Group will be able to obtain activities at a profitable level.

The materialisation of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

2.4.2 The operations and development of the Group is dependent on traffic rights

The right to operate from a EEA state to a non-EEA state, and from the UK to a third country, is regulated by bilateral or multilateral air service agreements that typically set the terms of air carriers' eligibility for qualification to operate between the two points. Some bilateral air service agreements remain highly restrictive in nature, requiring airlines of either Contracting Party to be majority owned and controlled by nationals of their respective country, and some also restrict the number of airlines, routes and frequencies that can be operated in either direction. Other more modern agreements allow unlimited access and route options but carriers are still subject to designation based on set criteria.

The EU has, on behalf of its member states, negotiated certain air services agreements with third countries, including the U.S., Canada, ASEAN countries, etc. The EU-US Open Skies uniquely includes Norway and is therefore accessible to carriers with an AOC issued by the authorities of Norway (such as the Company's Norway subsidiary), however, most other EU-third country agreements are only open to carriers with an AOC from a European member state. For any non-EEA destinations outside the U.S., the Company's Norway subsidiary relies on bilateral air service agreements negotiated between Norway and the respective third party.

Separately, following the UK's exit from the EU, the ability of the Company's UK subsidiary to operate flights between the UK and third countries relies on bilateral air service agreements negotiated by the UK with third countries. Depending on each bilateral air service agreement's requirements on ownership and control, the UK subsidiary may or may not qualify for designation to operate to routes beyond the US.

Cross-border aviation between the UK and the EEA is regulated by the comprehensive Trade and Cooperation Agreement between the EU and the UK. EEA and UK carriers require prior designation and authorisation to be able to operate scheduled and charter flights in either direction.

While overflying rights over a large number of countries are widely available to all carriers, some restrictions apply over certain territories due to either that country's national policy or in cases of instability, lack of adequate security or war. Most notably, overflying rights over the Siberian corridor are heavily restricted by Russia and such rights are currently not available to either of the Company's subsidiaries.

The Group will continue to utilise the EU-US "Open Skies" agreement and UK-US Air Transport agreement to operate its current and planned network. Based on the above, if the Group wishes to expand its operations outside of the U.S., or if existing AOCs or operating licences are revoked or fall away, the Group's ability to operate certain routes may be limited. This could have a material adverse effect on the Group's business, operating results, financial condition, cash flow and/or prospects.

2.4.3 Airlines are subject to extensive and complex regulations, which can restrict, hinder or delay the Group's activities

The aviation industry is subject to extensive regulations and the Group's business is subject to complex rules and regulations, imposed in the EEA, the UK, the US and in other jurisdictions. The regulatory regime includes safety and security standards such as requirements and procedures relating to, without limitation, certification and supervision, flight operations, weather conditions, aircraft performance and equipment, maintenance, flight crew,

cabin crew and transportation of dangerous goods. Detailed EU regulations also implemented in the EEA relating to airport slot allocations, flight compensation requirements and air carrier liability also apply to the Group, as well as requirements relating to environmental approvals for aircrafts and reporting of emission levels. Moreover, the exit of the UK from the EU ("**Brexit**") has led to a new regulatory regime for aviation being established in the UK which, whilst based on the prior EEA regulatory regime with adjustments for Brexit, could diverge in the future which may affect the business strategy of, or costs for, the Group.

Any changes to the regulatory environment in which the Group operate may have a material adverse effect on the Group's estimated costs, marketing strategy, business model and its ability to expand, which may in turn have a significant negative impact on the Group's activities, income (or potential income), financial condition and operating result. Further, if the Group is not able to comply with the extensive and complex regulations to which it is subject, it faces risks of *inter alia* having its AOCs or other licenses necessary to continue its operations, revoked and not being allowed to continue its business.

2.4.4 The Group is exposed to risks relating to data protection and data privacy regulations, licenses etc.

The Group receives, stores and process personal information and other customer data in connection with its business, and is subject to data protection and data privacy laws and regulations, which all impose stringent data protection requirements and provide high possible penalties for non-compliance, in particular relating to the storage, sharing, use, processing, disclosure and protection of personal information and other user data on its platforms. The main regulations applicable for the Group are the General Data Protection Regulation (EU) 2016/679 ("**GDPR**") and the local law implementations of GDPR in the EU member states that the Group operates in, including the Norwegian Data Protection Act of 15 June 2018 no. 38. Any failure to comply with data protection and data privacy policies, privacy-related obligations to customers or third parties, privacy-related legal obligations, or any compromise of security that results in an unauthorised release, transfer or use of personally identifiable information or other customer data, may result in governmental enforcement, actions, litigation or public statements against the Group. Any such failure could cause the users of the Group's services to lose trust in the Group. If third parties violate applicable laws or its policies, such violations may also put users of the Group's services at risk and could in turn have an adverse effect on the Group's business.

Any significant change to applicable laws, regulations or industry practices regarding the storage, collection, use, retention, security or disclosure of personal data, or regarding the manner in which the express or implied consent for the collection, use, retention or disclosure of such personal data is obtained, could increase the Group's costs and require the Group to modify its services and features, possibly in a material manner, which the Group may be unable to complete and may limit its ability to store and process personal data or develop new services and features.

2.4.5 The Group is exposed to risks related to strikes and other work-related disruptions

The Group may not achieve its strategy in future negotiations regarding the terms of collective labour agreements of its unionized work groups, exposing it to risk of strikes and other work-related disruptions. The Group's pilots and cabin crew are all unionized. Although the collective labour agreements were concluded for a term until March 2024 and September 2023, respectively, there can be no assurance that the Group's future agreements with labour unions can be negotiated to the long-term benefit of the Group or that the outcome of new negotiations, mediations or arbitrations will be on terms consistent with the Group's expectations or comparable to agreements entered into by other airlines. Moreover, the Group may enter into additional collective agreements with terms that are currently unknown, which is showcased by the airline industry's history of strong labour unions and difficult negotiations in respect of collective agreements, and there can be no assurance that any future agreements with labour unions will be on terms consistent with the Group's expectations or comparable to agreements entered into by other airlines. In addition, there is a risk that disagreement on existing or future collective agreements may ultimately lead to work interruptions, strikes or stoppages which again could have a material adverse effect on the Group's business, financial condition and reputation. The Group may also be negatively impacted by strikes or disputes between hired

personnel and their employer, which in either case may materially and adversely affect the Group's business, prospects, financial position and operating result.

2.5 Risks related to the Shares

2.5.1 The Company may or may not pay any dividend in the foreseeable future

The Company is currently in a growth phase and is not in a position to pay any dividends. Moreover, there are no guarantees that the Company will be able to distribute dividends in the future or that shareholders will be able to obtain a return on their investment. The payment of future dividends will depend on legal restrictions, the Group's capital requirements, including capital expenditure requirements, its financial condition, general business conditions as well as any restrictions that future financing or other contractual arrangements may place on the Group's ability to pay dividends.

2.5.2 The Company may need additional equity and new equity raises in the future may have a substantial dilutive effect

The Company may in the future decide to offer additional Shares or other securities in connection with unanticipated liabilities or expenses, in order to finance new capital-intensive projects, to pursue its growth strategy, to cover operational losses or for any other purposes. The Company cannot predict what effect, if any, future issuances and sales of Shares will have on the price of the Shares. Furthermore, depending on the structure of any future offering, existing shareholders may not have the ability to subscribe for or purchase additional equity securities. If the Company raises additional funds by issuing additional equity securities, this may result in a significant dilution of the existing shareholders, including in relation to dividends, shareholding percentages and voting rights.

2.5.3 The Company is subject to ownership restrictions for non-EEA nationals

The Company is subject to statutory rules requiring them to be more than 50% owned and effectively controlled by shareholders who are EEA nationals. If non-EEA nationals were to obtain control over the Company, the Company will be at risk of having its license to carry out air traffic operations annulled or temporarily revoked. Because of this, the Articles of Association entitle the Board of Directors to require shareholders that are non-EEA nationals to sell their Shares to the extent this is necessary to ensure that the Company complies with the aforementioned provisions. As an alternative to requiring a shareholder to sell Shares in the market, the Company may require the Shares to be sold to the Company or that the Company redeems the Shares by a reduction of the Company's share capital, at a purchase price or redemption price (as applicable) set to the closing price of the Shares on Euronext Growth Oslo (after completion of the Listing, the Oslo Stock Exchange) as of the day prior to the acquisition or redemption (as applicable) is taking place, deducted by 25%.

3 RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with the Subsequent Offering and the Listing of the Shares on Euronext Expand.

The Board of Directors of Norse Atlantic ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that the information contained in this Prospectus, to the best of their knowledge, is in accordance with the facts and makes no omission likely to affect its import.

Arendal, 11 April 2023

The Board of Directors of Norse Atlantic ASA

Terje Bodin Larsen
Chairman

Bjørn Kjos
Board Member

Aase Mikkelsen
Board member

4 GENERAL INFORMATION

4.1 Important investor information

This Prospectus has been prepared in order to facilitate the Subsequent Offering and the Listing of the Shares on the Oslo Stock Exchange.

This Prospectus has on 11 April 2023 been approved by the Norwegian FSA, as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval shall not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Shares.

The Company has furnished the information in this Prospectus. The Company's advisors make no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future.

The information contained herein is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arises or is noted between the time of approval of this Prospectus by the Norwegian FSA and the Listing, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No person is authorized to give information or to make any representation concerning the Group or in connection with the Subsequent Offering and the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Company or by any of its affiliates, representatives or advisors.

Neither the Company nor any of its affiliates, representatives or advisors, is making any representation, express or implied, to any offeree or purchaser of the Shares regarding the legality or suitability of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Investing in the Shares involves a high degree of risk. See Section 2 "*Risk factors*" beginning on page 11.

4.2 Presentation of financial and other information

4.2.1 *Financial information*

The Company was incorporated in Norway on 1 February 2021. As further detailed in the following Sections, the financial information in this Prospectus has been derived from the following financial statements (together, the "**Financial Information**"):

- 1) Audited consolidated financial statements for the Company as of and for the financial year ended 31 December 2021 (the "**Annual Financial Statements**"), prepared in accordance with the International Reporting Standards and the interpretations provided by IFRS Interpretations Committee as approved by the EU ("**IFRS**"). The Annual Financial Statements are presented in USD and have been audited by RSM Norge AS; and

- 2) Unaudited interim financial statements for the Company as of and for the period from 1 January 2022 to 31 December 2022 (the "**Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU ("**IAS 34**"). The Interim Financial Statements are presented in USD and have not been subject to audit review.

Prior to 2022, the Company used an accounting method with respect to determination of the rate implicit in the lease where an average interest rate of 1% had been applied on leases. During a review of the aircraft lease accounting in 2022 together with the Company's auditor, RSM Norge AS, the Company identified an error in the determination of the rate implicit in the lease, and decided to change the method from 1 January 2022 with retrospective impact. This means that interest rate implicit in leases is increased from an average of 1% to an average of 2.48%, affecting the right of use asset of aircrafts, as well as lease liabilities. Following this adjustment in accounting principles, comparative figures for the eleven months' period ended 31 December 2021 have been restated in accordance with the IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" as adopted by the EU. Consequently, comparable figures for 2021 in this Prospectus are presented as restated.

The Annual Financial Statements and the Interim Financial Statements are incorporated by reference to this Prospectus, see Section 18.4 "*Incorporation by reference*".

4.2.2 *Industry and market data*

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects the Company's estimates based on analysis of multiple sources, including data compiled by professional organizations, consultants and analysts and information otherwise obtained from other third party sources, such as annual and interim financial statements and other presentations published by listed companies operating within the same industry as the Company. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Company's competitive position in the future is based on the Company's own assessment and knowledge of the potential market in which it may operate. Such information and data are sourced herein as "**Company Information**".

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified, however, source references to websites shall not be deemed as incorporated by reference to this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

The Company cautions prospective investors not to place undue reliance on the above-mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Group's competitive position are based on the Company's own assessment and knowledge of the market in which it operates.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections,

assumptions and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "*Risk factors*" and elsewhere in this Prospectus.

4.2.3 Currencies

In this Prospectus, all references to "**NOK**" are to the lawful currency of Norway, all references to "**GBP**" are to the lawful currency of the United Kingdom and all references to "**USD**" are to the lawful currency of the United States. No representation is made that the NOK or USD amounts referred to herein could have been or could be converted into NOK or USD, as the case may be, at any particular rate, or at all. The Financial Information is presented in USD.

4.2.4 Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

4.2.5 Alternative performance measures (APMs)

4.2.5.1 Introduction

In order to enhance investors' understanding of the Group's performance, the Company presents in this Prospectus certain alternative performance measures ("**APMs**") as defined by the European Securities and Markets Authority ("**ESMA**") in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS). The Company uses APMs to measure operating performance and is of the view that the APMs provide investors with relevant and specific operating figures which may enhance their understanding of the Group's performance. The APMs presented herein have been used in the Prospectus, as well as in marketing material presented to prospective institutional investors and analysts in connection with the Subsequent Offering and the Listing, and it is the Management's opinion that the APMs presented herein are relevant for reporting purposes after the Subsequent Offering and the Listing. The Company uses the APMs defined below.

The APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) revenue or profit/loss (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Company believes that the APMs presented herein are commonly reported by companies in the markets in which the Group competes and are widely used by investors in comparing performance on a consistent basis, which can vary significantly depending upon accounting measures (in particular when acquisitions have occurred), business practice or non-operating factors. Accordingly, the Group discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods, and of the Group's ability to service its debt. Because companies calculate the APMs presented herein differently, the Group's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

The APMs used by the Group are set out below (presented in alphabetical order).

Airfare per passenger	Total airfare revenue divided by the number of passengers. The Group has presented this item because it considers it to be a useful measure of the passenger revenue development of the Group, excluding ancillary revenue.
Ancillary per passenger	Total ancillary revenue, meaning all passenger revenue that is not the airfare, divided by the number of passengers. The Group has presented this item because it considers it to be a useful measure of the passenger revenue development of the Group, excluding airfare revenue.
CASK	Cost per available seat kilometre. Used to measure the unit cost to operate each seat for every kilometre. The Group has presented this item because it considers it to be an appropriate measure of the cost development of the Group.
CASK (cash adjusted)	Cost per available seat kilometre, excluding the cost of fuel and the IFRS accounting cost of right-to-use asset. The right-to-use accounting amortization is excluded as it is significantly different from the lease accounting cost. CASK (cash adjusted) gives a more accurate indication of the cash cost of CASK excluding fuel. The Group has presented this item because it considers it to be an appropriate measure of the cost development of the Group.
CASK excl. fuel	Cost per available seat kilometre, excluding the cost of fuel. Used to measure the unit cost to operate each seat for every kilometre, while fuel is excluded due to the nature of its pricing as a commodity due to market conditions being outside the control of the airline. The Group has presented this item because it considers it to be an appropriate measure of cost development for the Group, excluding the cost of fuel.
EBIT	Earnings before net financial items, income tax expense/(income) and share of profit/(loss) from associated companies. Equivalent to operating profit/(loss) in the consolidated statement of comprehensive income. EBIT is a key performance indicator that the Company considers relevant for understanding the generation of profit before the effects from taxation systems and different financing activities.
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. EBITDAR is a key performance indicator that the Company considers relevant for understanding the generation of profit before the effects from taxation systems, different financing activities and depreciation and amortization of fixed and intangible assets.
Equity ratio	Book equity divided by total assets. The Group has presented this item because it considers it provides information on the financial leverage used by the Group to fund its assets.
Load factor	Revenue passenger kilometres divided by available seat kilometres. The Group has presented this item because it considers it to be a useful measure of the utilization of available seats and a key performance indicator which is relevant for understanding the generation of profit.
RASK	Revenue per available seat kilometre. The Group has presented this item because it considers it to be a useful measure to show.
Revenue per passenger	Total revenue that the Company earned from passengers, which consists of airfare and ancillary revenue, divided by the number of passengers. The Group has presented this item because it considers it to be a useful measure of the combined passenger revenue development of the Group.
Total cash	The total of cash and cash equivalents, restricted cash and other financial assets that can be converted into cash immediately. The Group has presented this item because it considers it to be a useful indication of its complete cash position.
Total liquidity	The total of cash and cash equivalents, restricted cash and other financial assets that can be converted into cash immediately. The Group has presented this item because it considers it to be a useful indication of its complete cash position.

The operational measures used by the Group are set out below (presented in alphabetical order):

ASK	Available seat kilometres. Number of available passenger seats multiplied by flight distance.
Load factor	RPK divided by ASK. Indicates the utilization of available seats.
RPK	Revenue passenger kilometres. Number of sold seats multiplied by flight distance.

4.2.5.2 Calculations and reconciliations of APMs

The tables below set out certain APMs presented by the Group in this Prospectus and other marketing material on an historical interim and annual basis. The tables below show the relevant APMs on a reconciled basis, to provide investors with an overview of the basis of calculation of such APMs. See Section 4.2.5.1 above for a further description of the APMs presented below.

The figures related to APMs below are extracted from the Group's consolidated statement of profit or loss and the consolidated statement of financial position, and related notes, as presented in the Financial Information.

<i>(in millions of USD or as stated)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated
Revenue		
EBITDAR ¹	104.3	-
Operating profit (EBIT)	(60.3)	(7.6)
Net profit	(146.1)	(7.9)
Net cashflow from operations	(175.0)	(7.0)
Book equity	10.5	156.6
Total cash ¹	69.7	134.3
Number of flights	1,451	-
Number of operating destinations	7	-
Average stage length (km)	5,534	-
ASK ¹ (millions)	2,716	-
RPK ¹ (millions)	1,693	-
Number of passengers	295,839	-
Load factor ¹	62%	-
Airfare per passenger (USD) ¹	215	-
Ancillary per passenger (USD) ¹	47	-
Revenue per passenger (USD) ¹	262	-
CASK cash adjusted (US cents) ¹	4.81	-
CASK excl. fuel (US cents) ¹	6.94	-
CASK (US cents) ¹	9.22	-
Total number of aircraft in fleet at period end	15	1
Total number of aircraft in operation at period end	2	-
Total number of aircraft subleased out at period end	5	-

¹ Non-IFRS alternative measures are explained in 4.2.5.1.

4.3 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts and circumstances. They appear, among other areas, in the following Sections in this Prospectus, Section 7 "*Industry and Market Overview*", Section 8 "*Business of the Group*", and Section 10 "*Selected Historical Financial Information*", and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates, such as, but not limited to the Group's expansion in existing and entry into new markets in the future.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry in which the Group operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to:

- the Group's strategy, outlook and growth prospects;
- the Group's operational and financial objectives, including statements as to the Company's medium or long-term growth, margin, and dividend policy;
- the competitive nature of the business in which the Group operates and the competitive pressure and competitive environment in general;
- earnings, cash flow, dividends and other expected financial results and conditions;
- the expected growth and other developments of the industries which the Group operates;
- the Group's planned investments;
- forecasts; and
- the Group's liquidity, capital resources, capital expenditures, and access to funding.

The risks that are currently known to the Company and which could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 "*Risk factors*".

The information contained in this Prospectus identifies additional factors that could affect the Group's financial position, operating results, cash flow, liquidity and performance. Prospective investors in the Shares are urged to

read all Sections of this Prospectus for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates when considering an investment in the Company.

These forward-looking statements speak only as of the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

5 REASONS FOR THE SUBSEQUENT OFFERING

5.1 Reasons for the Offering and the Listing

The background for the Subsequent Offering is the completion of the Private Placement of 120,000,000 new Shares at a price per Share of NOK 2.50 announced by the Company on 25 November 2022. On the same date, the Company announced that it intended to initiate a Subsequent Offering of up to 60,000,000 new Offer Shares in the Company.

The Subsequent Offering is initiated to limit the dilutive effect of the Private Placement by enabling Eligible Shareholders who were not offered to subscribe for Shares to subscribe for Offer Shares. In the Private Placement, the pre-emptive rights for subscription of Shares pursuant to the Norwegian Public Limited Companies Act section 10-4 was set aside as the Private Placement was directed to certain existing shareholders and new investors.

In order to comply with the principle of equal treatment of the Company's shareholders, the Board of Directors proposed to initiate a Subsequent Offering towards the Eligible Shareholders. The Board of Directors passed the necessary corporate resolution to initiate the Subsequent Offering on 5 April 2023.

It is expected that the Oslo Stock Exchange will approve the Company's application for Listing on or around 26 April 2023. The Company believes that the Listing will:

- enable the Company to realize growth potential and strengthen its position in the global aviation segment;
- diversify and increase the Company's shareholder base and enable other investors to take part in the Group's future growth and value creation;
- provide a market place for the Shares and give the Company improved access to the capital markets for potential future funding;
- enhance the Group's profile with investors and business partners; and
- Open up for investors and investor products that require a regulated stock exchange, including AKS accounts for retail investors and funds that have regulated market-qualifications as a part of their mandate.

5.2 Use of proceeds

Transaction costs and all other directly attributable costs in connection with the Subsequent Offering will depend on the total amount of Offer Shares issued. If all Offer Shares are issued, total expenses are estimated to approximately NOK 10.5 million, thusly resulting in net proceeds of approximately NOK 139.5 million.

The Company will use the net proceeds from Subsequent Offering and funds to maintain a targeted cash buffer following a requirement from UK air authorities to invest USD 46 million for use only by the Company's wholly owned UK Subsidiary Norse UK, in order to enable the Company to operate and increase the number of flights operating from the UK (specifically London Gatwick) to the US, to improve its liquidity position in relation to the Company's wholly owned Norway AOC, Norse Norway, as well as for general corporate purposes

6 DIVIDENDS AND DIVIDEND POLICY

6.1 Dividends policy

The Company has not distributed dividends since its incorporation. The Company is currently in a growth phase and will seek to deploy available capital towards growth initiatives. Beyond the growth phase, it is the Company's ambition to pay dividends to shareholders as soon as it considers itself to be in a position to do so and when it is considered to be in the general interest of the shareholders.

In deciding whether to propose a dividend and in determining the dividend amount in the future, the Board of Directors must take into account applicable legal restrictions, as set out in the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45, as amended (the "**Norwegian Public Companies Act**"), the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its contractual arrangements in force at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Public Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

There can be no assurance that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account the legal restrictions set out in Section 6.2 "*Legal constraints on the distribution of dividends*", as well as capital expenditure plans, financing requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and maintaining the appropriate strategic flexibility.

Further, the tax legislation of an investor's Member State and of the Company's country of incorporation (Norway) may have an impact on the income received from the Shares, see Section 15 "*Norwegian Taxation*".

6.2 Legal constraints on the distribution of dividends

Dividends may be paid in cash or in some instances in kind. The Norwegian Public Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- a) Dividends may only be distributed to the extent that the Company after the distribution has sound equity and liquidity.
- b) The Company may only distribute dividends to the extent that its net assets following the distribution are at least equal to the sum of (i) the Company's share capital, (ii) the reserve for valuation differences and (iii) the reserve for unrealised gains. In determining the distribution capacity, deductions must be made for (i) the aggregate amount of any receivables held by the Company and dating from before the balance sheet date which are secured by a pledge over Shares in the Company, (ii) any credit and collateral etc. from before the balance sheet date which according to sections 8-7 to 8-10 of the Norwegian Public Limited Liability Companies Act must not exceed the Company's distributable equity (unless such credit has been repaid or is set-off against the dividend or such collateral has been released prior to the decision to distribute the dividend, (iii) other dispositions carried out after the balance sheet date which pursuant to law must not exceed the Company's distributable equity and (iv) any amount distributed after the balance sheet date through a capital reduction.
- c) The calculation of the distributable equity shall be made on the basis of the balance sheet in the Company's last approved annual accounts, provided, however, that the registered share capital as of the date of the resolution to distribute dividends shall apply. Dividends may also be distributed by the general meeting based on an interim balance sheet which has been prepared and audited in

accordance with the provisions applying to the annual accounts and with a balance sheet date which does not lie further back in time than six months before the date of the general meeting's resolution.

Pursuant to the Norwegian Public Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the general meeting when it resolved to issue new shares of the company. A subscriber of new shares of a Norwegian public limited company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises (Nw.: *Foretaksregisteret*). The Norwegian Public Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 15 "*Norwegian taxation*".

6.3 Manner of dividend payments

Although the Company's dividends will be declared in USD, the Company's share capital is denominated in NOK and all dividends on the Shares will therefore be set in NOK. As such, investors whose reference currency is a currency other than NOK may be affected by currency fluctuations in the value of NOK relative to such investor's reference currency in connection with a dividend distribution by the Company.

Any future payments of dividends on the Shares will be denominated in the currency of the bank account of the relevant shareholder, and will be paid to the shareholders through Nordea Bank Abp, filial i Norge (the "**VPS Registrar**"). Shareholders registered in the VPS who have not supplied the VPS Registrar with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) applied when denominating any future payments of dividends to the relevant shareholder's currency will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

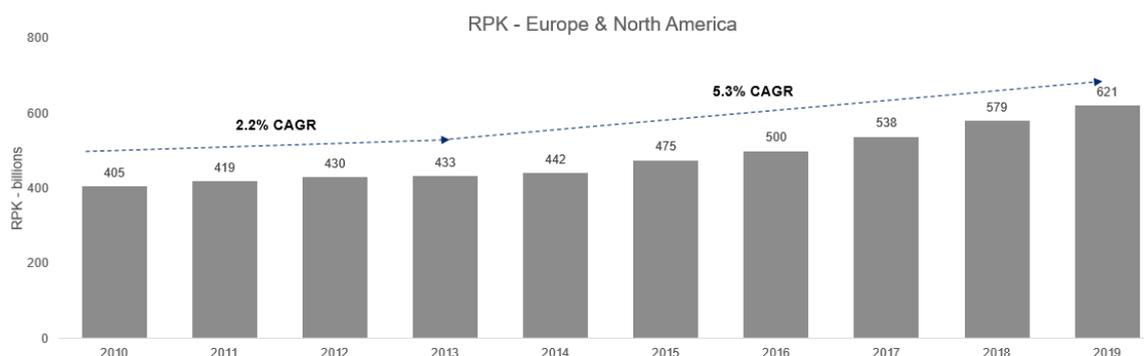
7 INDUSTRY AND MARKET OVERVIEW

7.1 Market introduction

Norse Atlantic has established itself in the market for low-cost long-haul flights between Europe and North America (the "**Transatlantic Market**"), with an initial focus on proven and profitable routes from Europe to the U.S.

The Transatlantic Market is a large leisure market with approximately 34 million passengers and 150,000 flights each way per year prior to Covid, according to European Travel Commission from Q2 2019.¹ The Transatlantic Market saw a turning point in 2013 as a result of route expansion by legacy carriers and the entry of low-cost airlines into the market, growing by 5.3% annually measured in revenue passenger kilometres ("**RPK**") between 2013 and 2019, as depicted in Figure 1 below. Centre For Aviation estimated that, by mid-October 2022, bookings from the US to the Eurozone were only 40% of the 2019 level and 80% from Eurozone to the US.²

Figure 1 – RPK - Europe & North America



Source: Boeing commercial market outlook 2022-2041³. "CAGR" = "Compounded Annual Growth Rate"

In 2020, the global aviation market experienced its biggest shock since World War 2, pushing traffic down by approximately 65% relative to 2019⁴ according to the International Air Transport Association ("**IATA**"). Global RPK dropped from 8.64 trillion kilometres in 2019 to 2.91 trillion kilometres in 2020 as illustrated in Figure 2 below. Previously, the adverse impacts on aviation of the 9/11 terrorist attacks and the global financial crisis in 2007-2008 were thought dramatic, but neither had an impact that compares to the COVID-19 crisis.

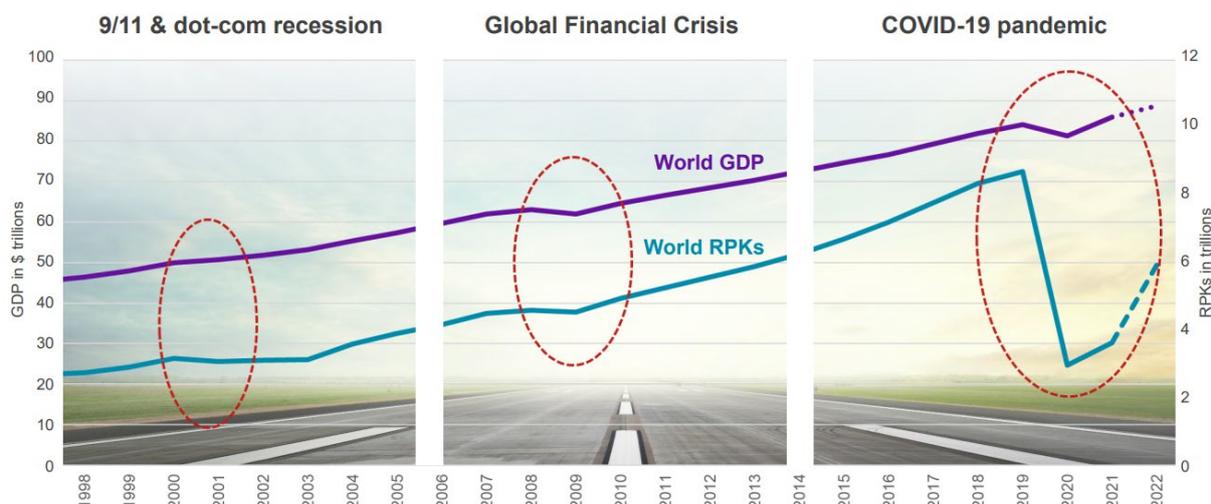
¹ Source: European Travel Commission, European Tourism: Trends & Prospects, Quarterly Report (Q2/2019)

² Source: <https://centreforaviation.com/analysis/reports/europe-aviation-recovery-slips-winter-schedules-may-be-trimmed-628004>

³ Source: <https://www.boeing.com/commercial/market/commercial-market-outlook/index.page>

⁴ Source: International Air Transport Association, Annual Review 2020

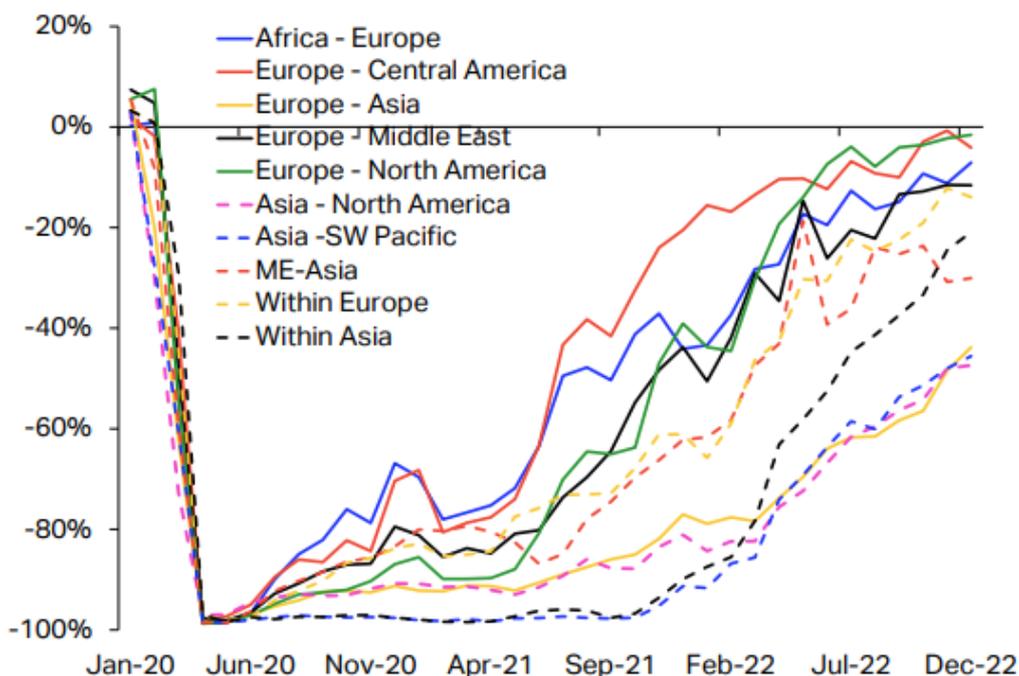
Figure 2 – Historical Global Air Traffic (Revenue Paying Kilometres) compared to economic activity (measured by world Gross Domestic Product)



Source: Boeing CMO 2022 report: https://www.boeing.com/resources/boeingdotcom/market/assets/downloads/CMO-2022-Hulst_Presentation_v01.pdf

Norse Atlantic considers the shock to the global aviation market to be a unique opportunity for the Group, by having secured what the Group considers to be attractive lease terms for its aircraft, capitalise on the recovery that the Group expects to see in the aviation market. According to IATA, the aviation market for travel between Europe and North America has by December 2022 recovered almost to 2019 levels as illustrated below.

Figure 3 – Historical Revenue Paying Kilometres by region



Source: IATA Air Passenger Market Analysis December 2022: <https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-market-analysis---december-2022/>

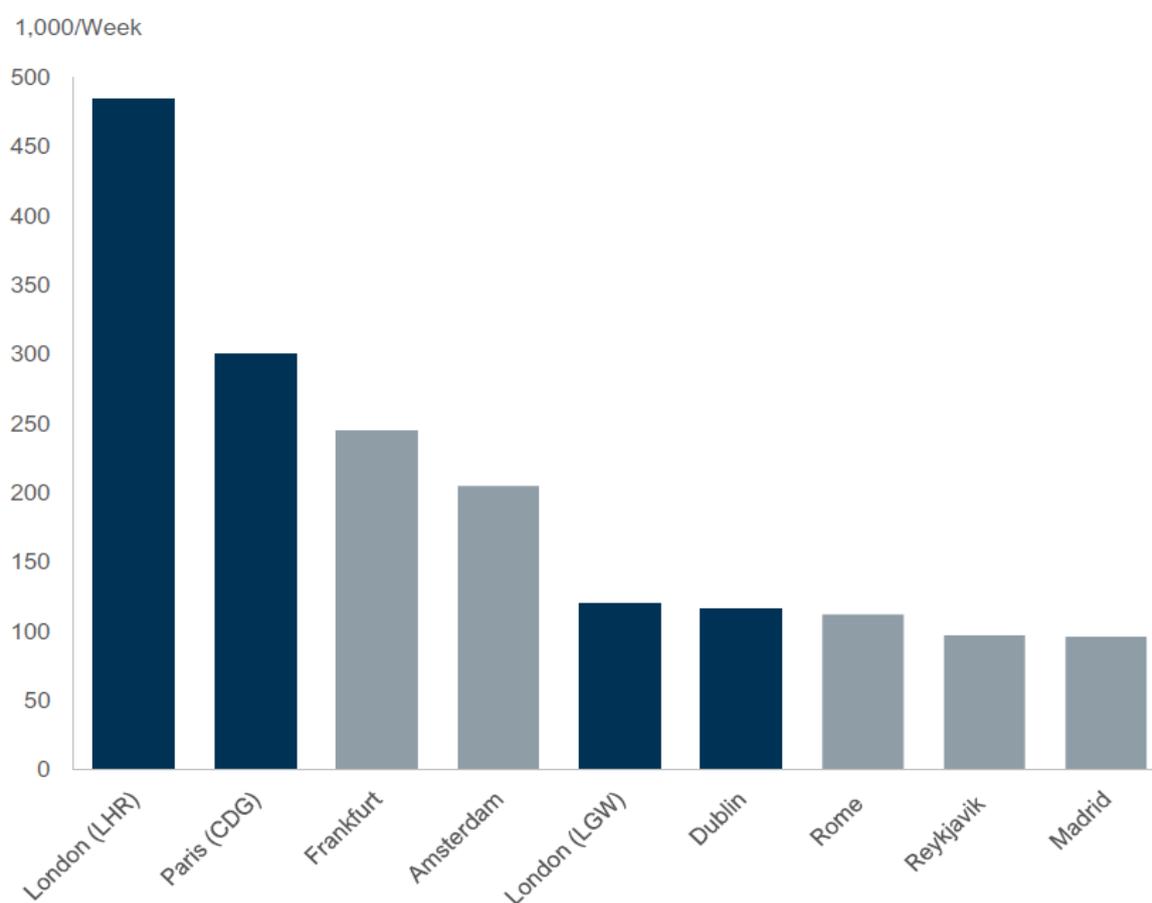
7.2 Opportunities

Norse Atlantic has leased out five aircraft to another airline for the summer season 2023, which allows the Company to phase in the total of 15 aircraft gradually – with 9 operational aircraft and 1 operational spare for the 2023 summer season.

In the fall of 2022 the Company made the move to slightly reduce the capacity from Oslo and Berlin for the 2022 winter season, a season for which the Group's UK AOC was not yet operating. Going forward, a significant part of the Group's capacity will be operated from London which is the largest European market to/from the USA.⁵ The Group was in 2022 presented with the unique opportunity to acquire 5 daily slot pairs at London Gatwick for the summer 2023 season at no cost to the airline.

Figure 4 – The busiest airports in Europe by seats to North America (2019)

Top 10 airports in Europe by seats to North America (pre C-19)



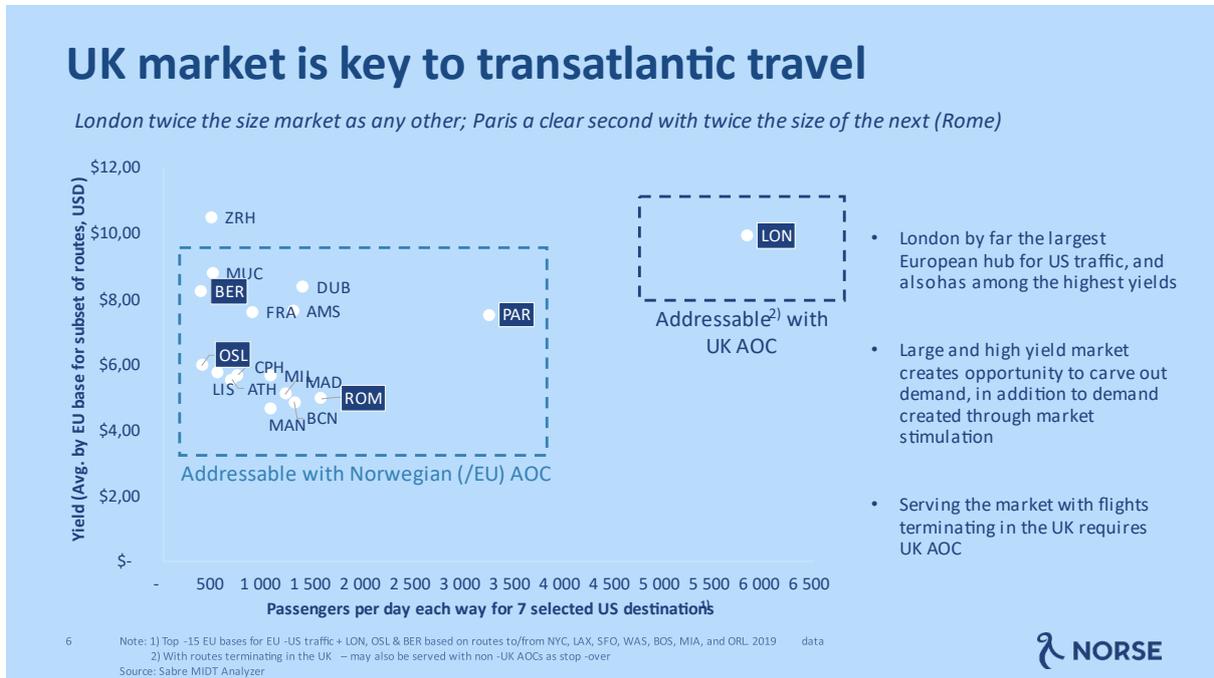
Source: Pareto research based on <https://www.oag.com/busiest-airports-world>

Paris will be another key network point for the Company, though it has chosen to enter the market cautiously given the changes in the type and amount of competition compared to 2019, as well as the current fuel price which is affecting the commercial performance of longer sectors. Together with other untested markets, the Company has chosen to enter them rationally and carefully whilst limiting the number of operational bases.

⁵ Source: <https://www.oag.com/busiest-airports-world>

In the US there will be an increased network focus on high-density routes to the East Coast in summer season 2023, further reducing average sector length.

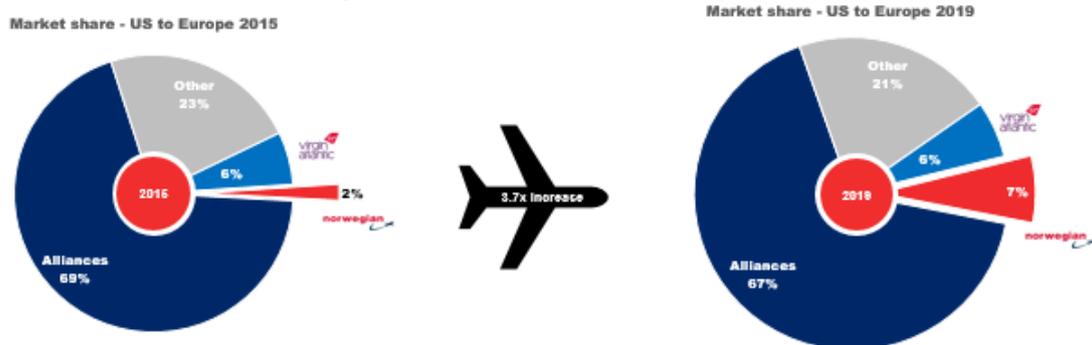
Figure 5 – UK market is key to transatlantic travel



7.3 Competitive situation

As depicted in Figure 6 below, the three airline alliances SkyTeam, Oneworld & Star Alliance have largely maintained dominant positions in the U.S to Europe market since 2015, with a combined market share of 69% in 2015 and 67% in 2019. In contrast, the low-cost operator Norwegian Air Shuttle increased its market share from approximately 2% in 2015 to approximately 7% in 2019, due to its competitive low-cost offering and route expansion. Norse Atlantic aims to fill the void that Norwegian Air Shuttle now leaves behind due to its exit from the U.S to Europe transatlantic market.⁶

Figure 6 – Market share – US to Europe



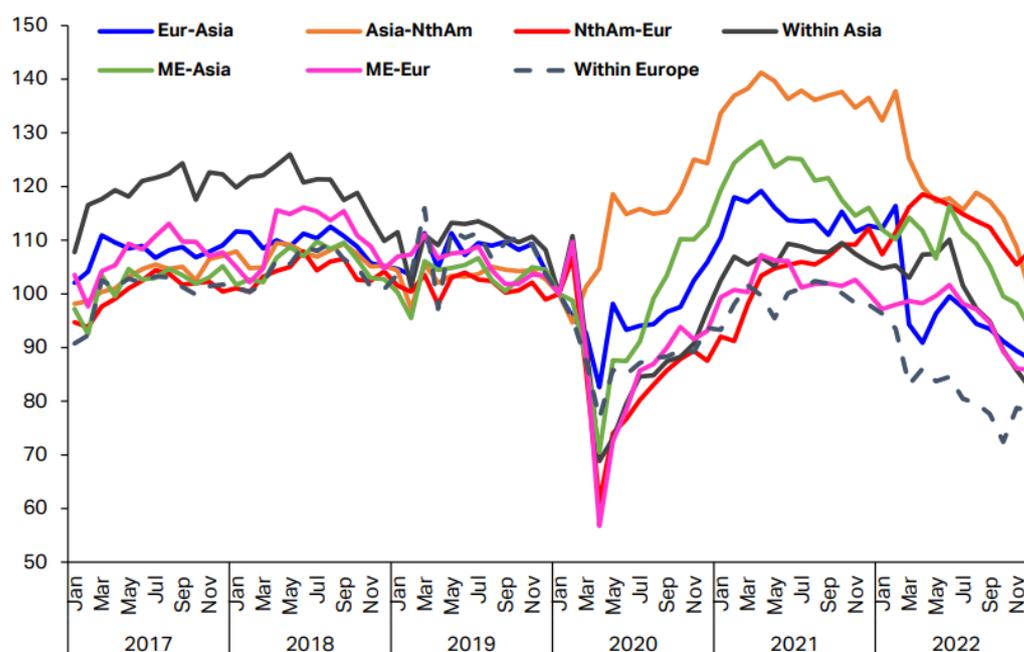
Source: U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics 1) Alliances refers to SkyTeam, Oneworld and Star Alliance

⁶ Source: U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics

7.4 Market segments

In addition to the key market for passenger transport, the Company is also present in the market for air cargo. A report by IATA calculates that the market for air cargo between North America and Europe fell 40% from 2019 to 2020, but in 2022 recovered to pre-Covid levels.⁷

Figure 7 – Cargo market by segment, indexed.
Seasonally adjusted CTKs by route area (Indexed, Jan 2020 = 100)



Source: IATA Economics, IATA Monthly Statistics by Route

7.5 Environmental matters

Aircraft travel means aircraft emissions and fuel cost. Reducing fuel consumption is important, both to reduce fuel costs and emissions. The Company estimates that with a 338-seat configuration, its Boeing 787-9 aircraft has a fuel consumption per seat of 2.08 litre per 100 kilometres, calculated based on a configuration of 338 seats⁸ compared to estimated 2.27 – 3.16 litre per seat per 100 kilometres for comparable aircraft, as in table below.⁹

Aircraft	First flight	Seats	Sector	Fuel per seat
Norse Boeing 787-9	2019	338	9,208 km	2.08 L/100km ³
Boeing 787-10	2017	337	10,240 km	2.27 L/100km ²
Boeing 787-9 (standard)	2013	304	9,208 km	2.31 L/100km ³

⁷ Source: <https://www.iata.org/en/iata-repository/publications/economic-reports/air-cargo-market-analysis---december-2022/>

⁸ Source: Calculated as the Boeing 787-9 (standard) consumption figure multiplied by 304 divided by 338

⁹ Source: https://en.wikipedia.org/wiki/Fuel_economy_in_aircraft

Aircraft	First flight	Seats	Sector	Fuel per seat
Airbus A350-900	2013	315	9,208 km	2.39 L/100km ³
Boeing 777-9X	2020	395	13,300 km	2.42 L/100km ⁴
Airbus A330-900	2017	300	8,610 km	2.48 L/100km ³
Airbus A350-1000	2016	367	10,243 km	2.58 L/100km ²
Airbus A330-800	2017	248	8,610 km	2.75 L/100km ³
Boeing 787-8	2011	243	8,610 km	2.77 L/100km ³
Boeing 747-8	2011	467	11,000 km	2.82 L/100km ⁵
Boeing 777-300ER	2003	382	10,199 km	2.90 L/100km ²
Boeing 777-200ER	1996	301	11,000 km	3.08 L/100km ⁶
Airbus A330-300	1992	274	10,275 km	3.11 L/100km ²
Boeing 747-400	1988	487	10,147 km	3.16 L/100km ²
Airbus A380	2005	544	11,000 km	3.16 L/100km ⁴

Table source: 1) FactSet, 2) Aircraft Commerce, 3) Airways News, 4) Leeham News, 5) Boeing, 6) Aspire Aviation

8 BUSINESS OF THE GROUP

8.1 Introduction

Norse Atlantic was incorporated on 1 February 2021 under the laws of Norway and its registered office is at Fløyveien 14, 4838 Arendal, Norway. The Company has wholly owned subsidiaries in Norway, the UK and the US.

Norse Atlantic is a new affordable long-haul airline established in 2021 that serves the transatlantic market with modern, fuel-efficient and more environmentally friendly Boeing 787 Dreamliners. The Company commenced its commercial operations on 14 June 2022, and has since continued to expand its network by adding destinations in the US and Europe. Customers are offered point-to-point journeys with no complexities, enabling full self-service booking online and coherent add-ons and upgrades tailored to customer needs. The Company will offer a high-value product to customers by providing affordable fares to exciting destinations and great service onboard modern and more fuel-efficient Dreamliners, whether traveling for business or pleasure. Norse Atlantic will offer point-to-point travel to and from major cities in Europe and the US. The overriding goal is always to offer affordable fares for the Company's explorers.

The Company has two wholly owned commercial airlines: Norse Norway, holding a Norwegian AOC and regulated by the Norwegian CAA, and Norse UK, holding a UK AOC and regulated by the UK CAA. The UK AOC is further described in Section 8.9.1 below. Norse Norway has been operating flights since 14 June 2022 and Norse UK operated its first commercial flight on 26 March 2023.

The Group has offices in the US (Fort Lauderdale), Norway (Arendal and Oslo), UK (London Gatwick) and France (Paris) and employs airborne crew, with crew bases in the US (Fort Lauderdale and New York), Norway (Oslo), UK (London Gatwick) and France (Paris), and has entered agreements with pilot and cabin crew unions in the US, Norway and the UK. The Company aims to have scalable and flexible operations and to have a lean organisation where all functions are controlled in-house.

8.2 The Group's principal activities

Norse Atlantic operates transatlantic point-to-point long-haul flights between destinations in the USA and Europe. The Group has been introducing new routes from its first operational year of 2022 and for the summer program 2023 will operate commercial flights between five different locations in Europe and seven locations in the USA. Launching its commercial flights in the summer of 2022, when the demand for international air transport had been on a rise post-pandemic, has enabled the Group to secure attractive transatlantic routes, and to secure a healthy load factor, *i.e.*, the percentage of available seating capacity (Available Seat Kilometres – “ASK”) that is filled with passengers (Revenue Passenger Kilometres – “RPK”), on its initial routes. The Group recorded a load factor of 52% in January 2023, following on from 61% in December 2022. Since Norse Atlantic's first flight in June, the Group has achieved an aggregate load factor of 61% to end January and has successfully flown 100% of scheduled flights (excludes cancellation of two flights for bad weather due to hurricane in Florida and cancellation of two flights due to baggage handler strike in Berlin, all events outside the Group's control).

Figure 8 – Focus on Profitable Major Long-Haul Routes (Routes planned for summer 2023 season):



The Group has connectivity partnerships with easyJet, Norwegian and Spirit Airline, allowing the Company to offer passengers tickets between destinations in these three partners’ networks, and to leverage the partners’ networks as feeder networks for Norse Atlantic’s transatlantic routes. The virtual interline agreement is powered by the 3rd party service provider Dohop, which allows airlines to sell connecting journeys involving flights operated by multiple carriers without the need for interline relationships or codeshare agreements. Through these connectivity partnerships, the partner airlines provide over 600 weekly connections to Norse Atlantic’s transatlantic services at its key international hubs, thereby making it easier for passengers resident in destinations outside Norse’s destination network to find and book a trip with Norse Atlantic.

At the beginning of 2023 the airline surpassed 300,000 flown passengers since operations began in June, the fleet has logged more 10,000 flight hours and completed over 1,500 commercial flights. The Group carried 44,172 passengers in December, an increase on the preceding month of 48 per cent, due to an increase in load factor and available seat kilometres.

Figure 9 – Passenger development (June 2022 – January 2023)

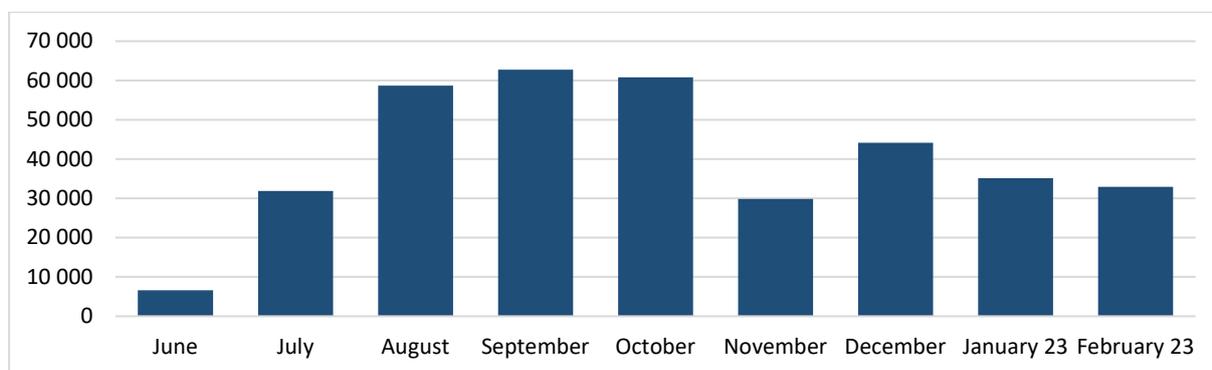
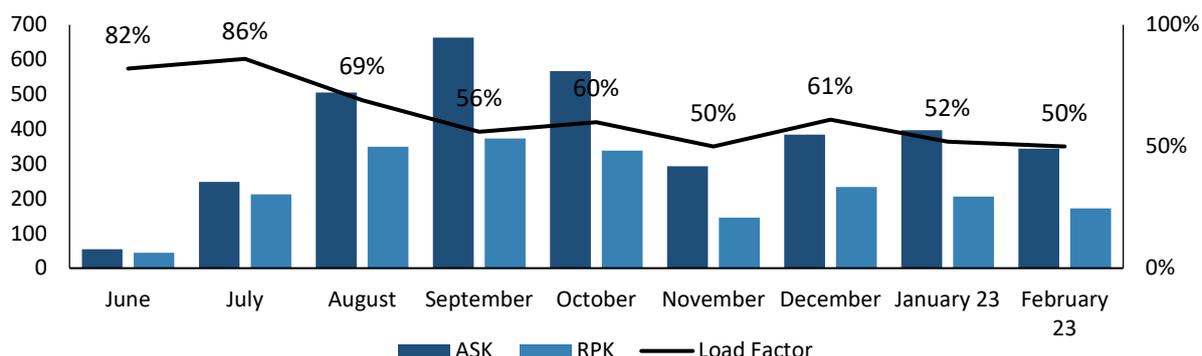


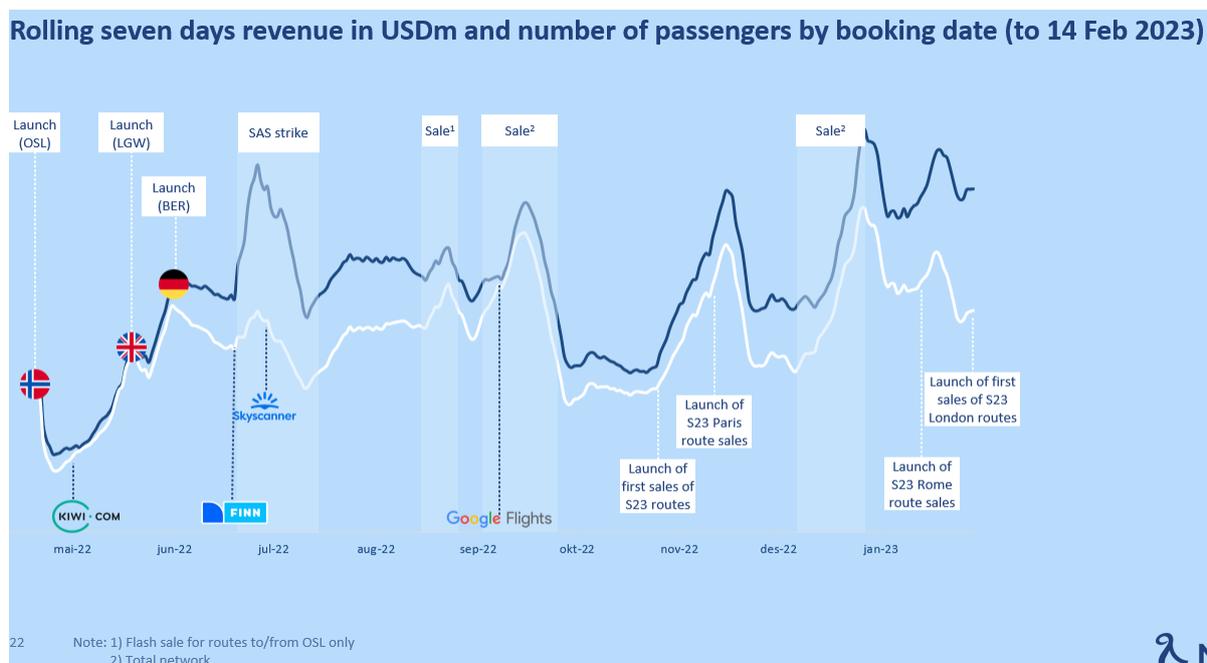
Figure 10 – Production development



Norse UK, a wholly-owned UK subsidiary of the Company, has secured five daily slot pairs at London Gatwick at no cost for summer 2023 and commenced operations in March 2023. The ramp up of UK operations and wider network in Summer 2023 will provide much needed competition on transatlantic routes, benefiting consumers and stimulating economic growth on both sides of the Atlantic. Serving the market with flights terminating in the UK requires a UK AOC. Norse Atlantic was granted this license in September 2022, making Norse UK one of a small number of UK transatlantic players.

Marketing was initially done through word of mouth and media. Sales have grown with increased availability on booking platforms such as Google Flights, Kayak and World Ticket. The Company continues to consider adding booking platforms and expects to add Expedia during the first half of 2023. Since the second half of 2022, the Group has also increasingly ramped up marketing activities to build brand awareness and recognition in key markets, including marketing campaigns targeted at Norwegian and US consumers, global seasonal sales campaigns around Christmas and New Year, and release of video material, among others.

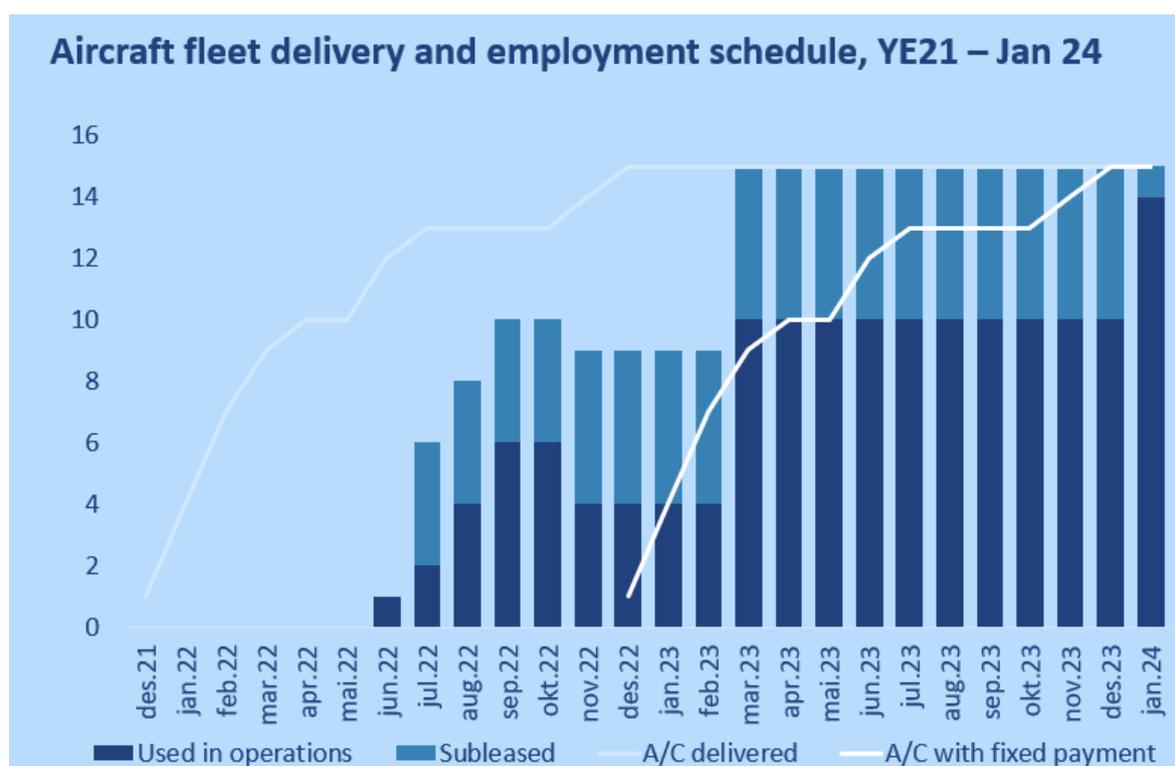
Figure 11 – Rolling 7 days revenue and number of passenger bookings by date (as at 14 February 2023)



The Group operates a fleet of 15 long-term leased 787-8 and -9 Dreamliners with an average remaining lease period of more than 11 years. The average age of the aircraft in the fleet is approximately 5 and a half years, while

for the -9 Dreamliners the average age is approximately 4 and a half years at the date of this Prospectus, meaning the Group operates a highly modern fleet, in comparison to the industry average fleet age, which is estimated to 11 years for Western European airlines and 14 years for US airlines.¹⁰ See Section 8.9.2 "Aircraft leasing agreements" for further details. Its fleet of Dreamliners allows Norse Atlantic passengers to travel in comfort aboard an aircraft described as one of the most technologically advanced wide-body aircraft developed,¹¹ with fuel consumption efficiency that is amongst the best-in-class and which has a 60% lower noise footprint compared to similarly sized aircraft.¹² The aircraft have been delivered in their current economy-focused configuration, allowing them to transport up to 338 passengers per flight, compared to business-focused configurations used by legacy airlines allowing up to approximately 250 passengers. This has led to approximately 25% less fuel consumption per passenger compared to legacy airlines operating business-focused configurations, please refer to Section 7.5 "Environmental matters" above. The aircrafts were freshly checked upon delivery to the Group, with 3 years until next service. The fleet will be fully employed in the Group's operations by 2024, and in the meantime 5 aircraft are subleased for periods of 18 months to a third party, securing fixed cash profit per month during the sublease term. The total lease rental revenue from the aircraft sublease component is expected to be in excess of USD 50 million over the term of the subleases. The Group starts to incur fixed lease payment obligations from 12 months after delivery of each respective aircraft, with certain lease agreements providing a mix between fixed payment obligations and "power by the hour" flexible lease terms. Figure 12 shows the timing of when aircraft go from full power by the hour schedules to fixed payments.

Figure 12 – Aircraft fleet delivery, power by the hour durations, and planned employment schedule to Jan 2024)



¹⁰ Source: <https://www.statista.com/statistics/751440/aviation-industry-aircraft-fleet-age-by-region/#:~:text=On%20average%2C%20aircraft%20are%20retired%20after%20around%2025%20years.&text=The%20general%20pattern%20is%20that,and%20carriers%20have%20older%20fleets> and https://aviation.report/Resources/Whitepapers/c7ca1e8f-fd11-4a96-9500-85609082abf7_whitepaper%201.pdf.

¹¹ Source : <https://easbcn.com/en/boeing-787-dreamliner-the-worlds-most-modern-aircraft/>

¹² Source: https://www.boeing.com/aboutus/environment/environmental_report_09/environmentally-progressive-products.html (Boeing) and <https://aviationbenefits.org/case-studies/boeing-787-dreamliner/> (Air Transport Action Group, an organization initiative of the commercial aviation industry)

Crew management as well as services related to airworthiness / technical management and support, operational control centre, ground services, flight safety management, quality management, training, planning, recruitment, consultancy services, IT infrastructure, IT software solutions and IT support are done in-house.

8.3 History and important events

The table below shows the Group's key milestones from 1 February 2021 to the date of this Prospectus.

Date	Key events
1 February 2021	The Company was incorporated in Norway.
13 March 2021	The Company raised NOK 70 million in new equity.
26 March 2021	The Company successfully completed a private placement of 63,750,000 new shares at a subscription price of NOK 20 per share, raising gross proceeds of NOK 1,275 million.
29 March 2021	The Company executed leases with an affiliate of AerCap Holdings BV, one of the world's largest aircraft leasing companies, for its initial fleet of nine Boeing 787 Dreamliners.
9 April 2021	The Share capital increase relating to the private placement as mentioned in #6 herein was registered in the NRBE.
27 May 2021	First union agreement with Flight Attendant Union.
2 August 2021	The Company signed a lease agreement on additional 6 Dreamliners.
20 December 2021	The Company delivery of the first of 15 aircraft.
29 December 2021	Norse Atlantic Airways AS, a wholly owned subsidiary, is awarded an Air Operator's Certificate (AOC).
15 January 2022	The US Department of Transportation approves Norse Atlantic Airways AS' application for transatlantic flights.
15 March 2022	The Company secured London Gatwick slots at no cost.
12 April 2022	The Company agreed to sublease four of its Dreamliners.
29 April 2022	The Company launched ticket sales between Norway and the US.
27 May 2022	The Company launched ticket sales between the UK and the US.
14 June 2022	The Company took the skies for the first time, flying customers from New York to Oslo.
8 July 2022	The Company completes delivery of four aircraft on 18-month subleases to Air Europa, a 3 rd party
28 July 2022	The Company announced new airline partnership with easyJet, Norwegian and Spirit Airlines and virtual interline agreement, opening up more than 600 weekly connections across key European and US hubs
18 August 2022	Inaugural flights from the UK to Germany and announced new Berlin to Fort Lauderdale route.
22 September 2022	The Company began trading on OTCQX Market.
27 September 2022	The Company received UK Air Operator Certificate and Operating licence.
17 October 2022	Norse UK received US Department of Transportation approval.
18 October 2022	The Company agreed to sublease the fifth of its Dreamliners.
9 November 2022	The Company launched summer season 2023 ticket sales.
November 2022	The Company secured additional Gatwick slots.
25 November 2022	The Company successfully completed a private placement of 120,000,000 new shares at a subscription price of NOK 2.5 per share, raising gross proceeds of NOK 300 million.
29 November 2022	The Company launched ticket sales between Paris and New York.
8 December 2022	The Company announced the successful completion of its first charter operations and launched ticket sales between Paris and New York.
24 January 2023	The Company launched ticket sales between Rome and New York.
9 February 2023	The Company appointed Charles Duncan as President.
14 February 2023	Norse UK launches first ticket sales from UK to US

8.4 Vision and strategy

The Group'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 will give people the opportunity to explore other continents by offering affordable flights on board modern and more environmentally friendly Boeing 787 Dreamliners. The Group's strengths and strategy is focused on giving customers value, the Norse culture, and the Group's low cost base.

The Company aims to be a low-cost long-haul carrier in all aspects of its business, with a demand driven approach focusing initially on leisure travellers and the most profitable transatlantic routes. It plans to achieve this through utilising an experienced core team, marrying in-depth aviation sector experience with fresh perspectives, as well as having secured one of the most fuel and cost efficient aircraft, the Boeing 787 Dreamliner, at about half their historical cost.

The Group's commercial strategy is centred around 5 pillars, as illustrated in Figure 13, below:

Figure 13 – The 5 pillars of Norse commercial strategy



By unbundling the product and offering a simple, low-cost, point-to-point economy ticket, Norse Atlantic aims to expand the market through low-cost stimulation in the high-density markets it serves. By unbundling the product, the customer will be able to buy a fare that includes only those products and services that each customer values. For example, seat reservations, number of checked bags and in-flight snacks and beverages are optional, amongst others. As a low-cost carrier in the transatlantic market, leisure travellers are specifically targeted. Customer personalisation is technology-driven, providing relevant, timely and targeted digital marketing ensuring that customers are approached in the best way and at the best time. Customers are offered point-to-point journeys with no complexities, enabling full self-service booking online with no unforeseen charges or costs to the customers and coherent add-ons and upgrades tailored to customer needs.

In addition, the Group aims to offer cost-conscious business travellers, as well as premium leisure customers, a Smart Business Class product in its premium cabin. Norse's Smart Business Class aims to offer customers superior value compared to competing business class products, by offering an equivalent travel experience at an attractive price.

Customers may tailor their product through a selection of ancillary services, ranging from luggage, seating and meal selection, to third-party services, offering the Group additional revenue streams, as well as allowing the Company to capture extra revenue from third-party service providers such as hotels and car rental agencies. The Group leverages data to target and personalise marketing and up-selling. The average ancillary revenue per passenger

generated in Q4 2022 of USD 75 places Norse Atlantic as the 4th best-performing carrier in terms of ancillary revenue per passenger, compared to other airlines listed in the 2022 CarTrawler Yearbook of Ancillary Revenue.¹³

With wide-body aircraft serving attractive locations with a point-to-point service, the Group has developed an attractive cargo product, and is continuously working to enhance its cargo product and grow its cargo revenue. As the marginal cost of additional cargo volume is low, adding additional cargo revenue is expected to have an attractive impact on profitability.

As described in section 11.1.3 "*Profit forecast*", the Group has high operational leverage in that operating costs for a plane are relatively high in that small variations in revenue can cause large differences in profits. Revenue is largely driven by load factor and average ticket price. While the Group can set its offered ticket prices, it has limited influence on load factors and for ordinary flights, these are very difficult to predict ahead of the actual flight. Further, the load factors vary significantly with seasons, with particularly high load factors during summer months and other festive periods and lower in other months: for example, the Group reported a 2H 2022 load factor of 62% varying between 86% in July and 50% in November, as reported in the Group's Q4'2022 presentation. Load factor is the most important driver behind profitability and is influenced by seasonality as this directly impacts clients travel needs. In order to manage seasonality in its route network, and optimize the value of its leased aircraft fleet, the Group will furthermore seek to generate revenue from leases and charters, and has secured 18 month leases for 5 of its aircraft, as well as several charter flights during the winter 2022/23. From summer season 2024, the Group expects its aircraft fleet to be fully employed in the Group's operation, while the Group will continue to explore opportunities for attractive charter and lease opportunities to manage any seasonality and cyclical demand, particularly during the winter seasons.

The Group targets being the lowest cost airline in the transatlantic market, with a target cost per available seat kilometre of 2.7 USD cents, excluding fuel and non-cash lease accounting costs. The Group aims to have scalable and flexible operations, and to maintain a lean organisation. By continuing to focus only on point-to-point long haul flights, the Group can keep complexity low, thus contributing to maintaining a lean and efficient organization.

While the Group intends to maintain a leading cost position, which combined with the unbundling of the fare should allow it to offer the lowest fares, the Group anticipates that competing airlines may seek to compete with the Group partly by offering connecting flights leveraging their hub and spoke model, and partly by cross-subsidizing fares between business and economy class. By offering connecting flights through connectivity partnerships with JetBlue, EasyJet and Norwegian powered by Dohop, the Group aims to eliminate any competitor's advantage in offering connecting flights, while avoiding the increased complexity and costs associated with operating a hub and spoke model. By operating from airports with large catchment areas, *i.e.*, busy airports with large natural local markets and connectivity with a large number of destinations, the Group furthermore aims to reduce dependency on connecting flights to fill its aircraft. The Group believes that its cost position and unbundled product over time will allow it to maintain the most attractive fares, and will through active revenue management ensure that seats are filled at the best possible yields.

Seasonality is a challenge for airlines, with the winter season typically being weaker than the summer season, driven by leisure travel patterns. In addition to pursuing charter and lease opportunities as described above, seasonality may be managed by changes to the route network and program during winter, *e.g.*, by adding winter holiday destinations in South East Asia or the Caribbean and reducing frequency to destinations which are typically stronger in the summer. In addition, the impacts of seasonality can be dampened by scheduling fleet maintenance activities to the low season, to maximize productivity of the fleet during summer. However, the Group expects that revenue will still exhibit a seasonal pattern, with the summer season being more profitable than the winter season.

¹³

Source: <https://ideaworkscopy.com/wp-content/uploads/2022/09/2022-Ancillary-Revenue-Yearbook-1.1.pdf>

To continue to establish itself and a customer base, the Group needs to successfully management its growth going forward. This is *inter alia* dependent on the Group's ability to identify new, profitable routes and to predict variations in demand in order to plan and optimize its operations. It is also important to maintain and improve the efficiency of the Group's established operations, as well as a competitive cost position. The Group may face challenges with regards to its cost position as the scale and complexity of its operations increases. The Group's ability to deliver on this strategy is also dependent on maintaining a strong brand name, including avoiding reputational damage, which could occur as a result of several factors, such as e.g. the quality of its offered services and its customer service.

8.5 Competition

The Group operates within a highly competitive industry and competes with a number of other airlines serving the transatlantic market, including, inter alia, United Airlines, Delta Air Lines, JetBlue Airways, American Airlines, Air Canada, British Airways, Virgin Atlantic, Emirates and Air France, etc. Additionally, the Company is competing with hybrid carriers like JetBlue and French Bee. Many of these competitors are larger companies, with both significant resources and strong brand recognition. For more information about Norse Atlantic's competitive position, please refer to Section 7.3 "*Competitive situation*" above.

8.6 Regulatory environment

8.6.1 Introduction

The Group is subject to the volatility of global economic and social conditions and a number of macroeconomic factors impact the air travel industry and will affect the demand for the Group's current and prospective services.

One of the Group's most material variable costs is aviation fuel, and the Group's financial performance will be materially affected by fluctuations in the price and availability of such fuel. Both the cost and availability of aviation fuel are subject to economic and political factors beyond the Group's control. Any increase in the price of aviation fuel will have a material adverse impact on the Group's profitability.

The airline industry has been and will continue to be impacted by climate change, the limitation of greenhouse gas emissions and any changes to environmental legislation.

The Norwegian government announced a 45 per cent increase in the high-rate band of air passenger tax in accordance with the national budget for 2023. Norse Atlantic Airways operates direct intercontinental point to point routes in a highly competitive and price -sensitive market. This planned increase means that Norse Atlantic may be forced to reassess its investment in direct routes to and from Norway.

Further, the aviation industry is and will continue to be a generally heavily regulated industry. Given the Group's multiple AOC structure and international business, the Group is subject to regulations, regulatory controls, requirements and obligations in a number of jurisdictions, in particular the European Union, Norway, France, the United Kingdom and the United States.

At of the date of this Prospectus, the Group has all the required AOCs and operating licences needed, as well as U.S. regulatory approvals to operate its current and planned network for Summer 2023. The Company is routinely awaiting regulatory approvals from France and is currently selling flights between France and the U.S. on a 'subject to government approval' basis.

8.6.2 International regulation

The International Civil Aviation Organisation ("**ICAO**") is an agency of the United Nations and was established by the 1944 Chicago Convention on International Civil Aviation (the "**Convention**"). The Convention established the

process of coordinating and regulating international air services through bilateral air services agreements (“ASAs”) between sovereign states. ASAs are international bilateral treaties between states, with government-negotiated terms and conditions covering all aspects of commercial scheduled air services between the two countries. Separate to this is the single aviation market which applies with the EEA and multilateral agreements negotiated between the EU and third countries.

8.6.3 *European Union (EEA) regulation*

The Group is subject to regulations and directives which are set by the EU and adopted in their entirety by Norway through its EEA membership. EU regulations cover a wide range of aviation matters including safety and security, operating licences, aircraft operations, airline ownership, air traffic control, airport charges, ground handling, airport slots, consumer protection, pricing transparency, environment and data protection.

The Regulation that regulates the licensing of EEA carriers is Regulation (EC) No 1008/2008 which stipulates that:

1. an air carrier must be owned directly or through majority ownership by EEA states and/or nationals of EEA states (for the purposes of this particular regulation, this also includes ownership by Switzerland and/or Swiss nationals); and
2. the air carrier must at all times be effectively controlled by such state/national

8.6.4 *UK regulation*

Following the UK's Exit from the EU, the UK Parliament passed the European Union (Withdrawal) Act 2018 by which directly applicable EU legislation was and remains incorporated into UK domestic law even after the end of the transition period (retained EU law). This covers certain aspects of aviation law including Regulation (EC) 261/2004 on passenger rights. The same Act also gives powers to the UK Government to adapt or remove laws as seen fit. While a large degree of convergence remains between UK and EU law on aviation, some divergence is expected in the coming years which may increase compliance costs for the Company.

The UK CAA is responsible for overseeing, licensing and regulating air carriers in the UK. As part of the UK CAA's oversight obligation, licenced operators are subject to regular monitoring and assessment of their financial fitness and adherence to safety, security and operational requirements.

The UK CAA is also the designated UK enforcement body for a range of consumer protection rules and regulations.

As from 1 January 2023, the UK no longer recognises EASA-issued certificates, approvals and licences for the operations and/or maintenance of UK-registered aircraft. The Company has made arrangements to obtain the UK equivalents of such documents.

The UK Department for Transport is responsible for the overall air transport policy and, in particular, relations with third countries including the negotiation of bilateral air service agreements which govern airline market access.

The Air Passenger Duty Regulations 1994 and subsequent amendments impose a duty levied on departing passengers from UK airports with some exceptions. The duty is payable by UK and foreign operating carriers with the amount payable being calculated by reference to the passenger's final destination and the class of travel.

8.6.5 *Environmental Regulation*

The Company is subject to a number of national, regional and international obligations, regulations and measures aimed at addressing greenhouse gas emissions from air transport. Amid increasing pressure and interest from regulatory and the public, a number of regulatory proposals in various jurisdictions are in the making and the Company expects operational costs related to environmental matters to increase substantially as a consequence.

In October 2016, the International Civil Aviation Organisation agreed a Carbon Offsetting and Reduction Scheme for International Aviation (“**CORSIA**”) to target carbon neutral growth for the airline sector under which offsetting requirements commenced in 2021. CORSIA requires airlines to purchase carbon offsets from other industries to compensate for emission growth in the airline sector. As a new carrier, the company is exempt from offsetting obligations under CORSIA for the first three years of operation.

The EU Emissions Trading Scheme, EU ETS, was established in 2003 and aviation was incorporated in the scheme in 2012. The aim of the scheme is to provide a means of securing compliance with the EU’s obligations to reduce greenhouse gas emissions under the Kyoto Protocol to the United Nations Framework Convention on Climate Change. The current scope includes all intra-EEA flights and currently excludes flights between the EEA and third countries. Under the current legislation, airlines are granted a number of free CO2 allowances based on historical performance and a CO2 efficiency benchmark. Under the EU "Fit for 55" proposed legislation, the free EU ETS allowances will be phased out over the period 2024 to 2027. Any shortage of allowances has to be purchased in the open market and/or at government auctions. This is expected to significantly increase the cost of ETS to the industry. The European Commission is due to review the scope of EU ETS in 2026.

Following the UK’s exit from the EU, the UK launched its own ETS for operators flying between the UK and EEA countries.

The European Commission’s "ReFuel EU" proposal provides for a Sustainable Aviation Fuel ("**SAF**") blending mandate to be implemented. It sets SAF targets of 2% by 2025 to 5% by 2030 and 20% by 2035. Norway has meanwhile set a minimum of 0.5% SAF mandate in 2019 and aims to increase this progressively to 30% by 2030 while France applies a 1% SAF mandate which will increase to 2% by 2025, 5% by 2030 and 50% by 2050. There can be no assurance that sufficient SAF will be available in the market for the Company to purchase or that the cost of SAF will not have a material adverse effect on the Group's financial results.

Further regulations on greenhouse gas emissions may be enacted in one or more of the countries in which the Company operates.

8.6.6 *Other National Regulation*

The Group is subject to a wide range of passenger and employee protection, health and safety, data protection and environmental requirements in the various jurisdictions where the Group operates to and from, including Norway, the UK, France, Germany, Italy and the U.S.

8.7 **Material agreements outside the ordinary course of business**

Neither the Group nor any member of the Group has entered into any material contracts outside the ordinary course of business for the two year period prior to the date of this Prospectus. Furthermore, the Group nor any member of the Group has not entered into any contract outside the ordinary course of business which contains any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of the Prospectus other than those entered into in the ordinary course of business for the two years preceding the publication of this Prospectus. Please refer to Section 8.9 "*Dependency on contracts, patents, licenses etc.*" for more information on the Group's dependency on contractual commitments entered into in its ordinary course of business and licenses.

8.8 **Environmental matters**

The Group is committed to operate its business in an environmentally responsible manner.

There has generally been an increased focus and concern about climate change, greenhouse gas emissions and environmental matters during the last few years, both among governments across the world and the public at large, and there is a risk that environmental regulation will become more stringent.

Commercial aviation uses aircraft that are internationally approved according to ICAO. Environmental approval is an integral part of national registrations of aircraft. Environmentally-based national and/or local permits, rules and regulations provide a framework for aircraft use. The current trend is toward stricter environmental framework conditions for the airline industry.

Airlines need no separate environmental licenses or permits for their operations, but rely on permits that airport operators have, such as for handling of fuel and glycol for aircraft de-icing, runway de-icing, and threshold levels for noise and emissions. There is an exemption for the use of the hazardous gaseous fire suppression agent halon in fire extinguishers on board aircraft. Halon use is heavily restricted under the Montreal Protocol on Substances that Deplete the Ozone Layer of 1987, as amended, and airline operators must submit annual reports to the authorities on the use and storage thereof.

The Group may experience reduced demand for its services if customers become reluctant to travel by air because of the increased focus on the environmental impact of air travel. The Group's fleet of fuel-efficient modern Boeing 787 Dreamliners with their cabin configurations of up to 338 seats provide among the most fuel efficient per seat (as further described in Section 7.5 "*Environmental matters*" above) and, thus, give the Group a competitive advantage in catering for environmentally conscious passengers.

Environmental regulations could affect cost of operations. Stricter environmental regulations may favour young fleets of fuel-efficient aircrafts such as Norse Atlantic's modern and environmentally friendly fleet, since emissions are lower.

Further, the Group take sustainability requirements and regulations seriously. The company are required to report in line with the Norwegian Accounting Act of 17 July 1998 no. 56 section 3-3 c and the activities and result after the Equality and Anti-Discrimination Act of 16 June 2017 no. 51 section 26.

8.9 Dependency on contracts, patents and licences

8.9.1 AOCs, agreements with airports and landing permissions and air carrier permits

An AOC is an operational and technical approval issued by a country's Civil Aviation Authority ("**CAA**"); the approval grants the holder the right to conduct commercial flights in a safe manner and is valid as long as the holder complies with the terms of the AOC. To obtain an AOC, the Group must have the AOC organisation and the AOC management structure approved by the applicable national CAA, as well as the operational and technical manuals for the intended operation describing how to maintain operational control. The Group obtained a Norwegian AOC on 29 December 2021 and a UK AOC on 9 September 2022.

With the AOC in place, the Group must also have a Type A Operating Licence which is required for operators of aircraft with 20 or more seats. To obtain this licence the Group must show adequate financial strength for continuous operations. The Group obtained a Norway Type A Operating License on 29 December 2021 and a UK Type A Operating Licence on 23 September 2022.

In order to operate aircraft and carry passengers, goods and/or post between points in the European Union/EEA and points in the United States under the Open Skies agreement, an authorisation in the form of a Foreign Air Carrier Permit from the US Department of Transport is required. Similar authorisations may be required in order to start operations to other countries under existing bilateral treaties. The Group does hold the requisite authorisations from relevant foreign or domestic governments to operate its intended routes, and its inaugural flight took place on 14 June 2022, from Oslo to New York.

Since the UK has left the European Union, flights from the UK to any destination other than Norway can only be operated by a UK AOC holder. The Group therefore needs to main two separate AOCs, one in Norway and other in the UK. Any foreign carrier wishing to operate flights to and from the UK or UK overseas territories in an aircraft not registered in the UK or UK overseas territories requires a Third Country Operator Certificate (TCO) and Foreign Aircraft Carrier Permit from the UK CAA. The Group obtained its TCO from the UK CAA on 1 August 2022 and its UK Foreign Carrier Permit on 1 November 2022 for the IATA Winter 2023 season.

In order to obtain the UK AOC, the Group was required to satisfy the requirements of the UK CAA concerning adequate financial strength for continuous operations. As part of this process, the Company was required to make an investment of USD 46 million in Norse UK, such amounts only for use by Norse UK. In addition, the Company, as the parent company of Norse UK, was required to undertake a parent company guarantee towards the UK CAA and Norse UK, to cover all obligations and liabilities owing or incurred by Norse UK towards the UK CAA or other third parties in accordance with the agreement with the UK CAA.

The Group has secured landing rights at certain airports and may be reliant on securing and retaining additional airport landing rights in future. In the UK and some airports outside of the UK, these slots are coordinated through Airport Coordination Limited (an airport slot coordinator). For airports not coordinated through Airport Coordination Limited, bilateral slot agreements will be made.

The Group has all relevant licences and certificates to commence commercial aircraft operations as of the date of this Prospectus.

8.9.2 *Aircraft leasing agreements*

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 BOCA Aviation Ltd (the "**BOCA Leases**", and together with the AerCap Leases, the "**Lease Agreements**"). 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. On 20 December 2021 the Company took delivery of the first of 15 aircraft, while the final aircraft was delivered in December 2022.

The Lease Agreements include a flexible price structure for the initial periods based on a price per flight hour per aircraft for the first year from delivery. For the second year, the lease rent is structured as a fixed minimum amount plus a price per flight hour per aircraft for the AerCap Leases, and a fixed lease amount for the BOCA Leases from the second year of delivery of each respective aircraft.

Upon expiry of the Lease Agreements and re-delivery of the aircraft, the condition of the aircraft shall correspond to the condition of the aircraft at delivery, reasonable wear and tear from normal flight operations excepted.

The Group is responsible for maintenance of the aircraft during the period of the Lease Agreements. In addition to the base rent, the Lease Agreements include provisions for payment of monthly maintenance payments subject to annual escalation, to secure funding for subsequent regular maintenance events. The affiliate of AerCap Holdings NV will contribute on a pro-rata basis to such funding of the initial regular maintenance events following delivery, taking into account the period of time between the most previous maintenance event of the same type and delivery of the aircraft to Norse Atlantic.

The Lease Agreements include customary event of default provisions in accordance with standard market practice, including cross-default provisions between the individual Lease Agreements, but without any change of control

restrictions. The obligations of the Company are secured by cash deposits totalling USD 8.4 million for the AerCap leases and USD 12 million for the BOCA Leases.

The Lease Agreements include purchase options entitling to purchase the leased aircraft upon expiry of the leases, at a price to be negotiated based on the market value and condition of the aircraft.

Except for the above, the Group's existing business is not dependent on any patents, licenses or other intellectual property.

8.10 Insurance

The Group's insurance coverage covers risks associated with its business, including property insurance, business travel insurance, corporate responsibility, professional indemnity, employee liability insurance, accident and workers' compensation insurance and directors & officers insurance. The Company believes the Group has taken out the insurances that are customary for the industry in which the Group operates and at a level which is generally adequate. However, no assurance can be given that the Group will not incur any damages that are not covered by its insurance policies or that exceed the coverage limits of such insurance policies.

8.11 Legal and arbitrational proceedings

From time to time, the Group may become involved in litigation, disputes and other legal proceedings arising in the course of its business. Neither the Company, nor any of its subsidiaries have, nor have been, during the course of the preceding 12 months, been involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

9 CAPITALIZATION AND INDEBTEDNESS

9.1 Introduction

The financial information presented below provides information about the Group's consolidated capitalization and net financial indebtedness on an actual basis as of 31 December 2022, and in the "As adjusted" column, the Group's unaudited consolidated capitalization and financial indebtedness as of 31 December 2022 on an adjusted basis to give effect of the material post-balance sheet events described below.

The financial information presented in this Section 9 "*Capitalization and indebtedness*" should in its entirety be read in connection with the financial information included elsewhere in this Prospectus, in particular Sections 10 "*Selected historical financial information*" and 11 "*Operating and financial review*", as well as the Financial Information and related notes, incorporated by reference to this Prospectus.

This Section provides information about the Group's consolidated capitalization and net financial indebtedness as reported in the Interim Financial Statements as of 31 December 2022 and, in the "As adjusted" column, the Group's consolidated unaudited capitalization and net financial indebtedness on an adjusted basis to give effect to the Subsequent Offering as a material post-balance sheet event, assuming that the Company, through the Subsequent Offering, will raise gross proceeds in the amount of NOK 150 million, which will result in net proceeds of approximately NOK 139.5 million from the issue of 60,000,000 million Offer Shares at the Offer Price, and assuming that the Company's expenses in the Subsequent Offering and Listing amount to approximately NOK 10.5 million.

The adjustments made in the tables in Section 9.2 "*Capitalization*" and Section 9.3 "*Net financial indebtedness*" are made solely on the above assumptions.

Other than the above, there have been no material changes to the Group's consolidated capitalization and net financial indebtedness since 31 December 2022 and up to the date of this Prospectus.

9.2 Capitalization

The following table sets forth information about the Group's unaudited consolidated capitalization as of 31 December 2022, derived from the Interim Financial Statements.

<i>(in thousands of USD)</i>	As of 31 December 2022 <i>(unaudited)</i>	Adjustment	As Adjusted
Current debt			
Guaranteed	-	-	-
Secured ¹⁾	48,760	-	48,760
Unguaranteed/unsecured	72,213	-	72,213
Total current debt	120,973	-	120,973
Non-current debt			
Guaranteed	-	-	-
Secured ¹⁾	912,969	-	912,969
Unguaranteed/unsecured	45,762	-	45,762
Total non-current debt	958,731	-	958,731
Total liabilities (A)	1,079,704	-	1,079,704

<i>(in thousands of USD)</i>	As of 31 December 2022 <i>(unaudited)</i>	Adjustment	As Adjusted
Shareholders' equity			
Share capital	29,945	7,261 ³⁾	37,206
Legal reserves ²⁾	162,560	7,261 ³⁾	169,821
Other reserves	(181,970)	-	(181,970)
Total equity (B)	10,535	14,251³⁾	24,776
Total capitalization (A+B)	1,090,240	14,251³⁾	1,104,491

Notes:

- ¹⁾ Secured debt is secured in aircrafts, engines and other leasing contracts.
- ²⁾ The adjustment amount includes NOK 150 million from the 60 million Offer Shares to be issued at the Offer Price, deducted by the Company's expenses in the Offering amounting to approximately NOK 10.5 million.
- ³⁾ NOK based USD currency rate at 10,3299 from Norges Bank 1 March 2023.

9.3 Net financial indebtedness

The following table sets forth information about the Group's unaudited net financial indebtedness as of 31 December 2022, derived from the Interim Financial Statements.

<i>(in thousands of USD)</i>	As of 31 December 2022 <i>(unaudited)</i>	Adjustment	As Adjusted
(A) Cash ¹⁾	69,709	14,251 ²⁾	83,960
(B) Cash equivalents	-	-	-
(C) Other current financial assets	-	-	-
(D) Liquidity (A + B + C)	69,709	14,251²⁾	83,960
(E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	-	-	-
(F) Current portion of non-current debt ³⁾	48,760	-	48,760
(G) Current financial indebtedness (E + F)	48,760	-	48,760
(H) Net current financial indebtedness (G - D)	(20,929)	-	(20,929)
(I) Non-current financial debt (excluding current portion and debt instruments)	912,696	-	912,696
(J) Debt instruments	-	-	-
(K) Non-current trade and other payables	45,762	-	45,762
(L) Non-current financial indebtedness (I + J + K)	958,731	-	958,731
(M) Total financial indebtedness (H + L)	937,802	-	937,802

Notes:

- ¹⁾ Represent the financial line Cash and cash equivalent in total of USD 64,709 and restricted cash of USD 5,000.
- ²⁾ NOK based USD currency rate at 10,3299 from Norges Bank 1 March 2023.
- ³⁾ Current portion of (31.12.22) of non-current financial debt includes leases liability due within 12 months.

9.4 Contingent and indirect indebtedness

The Group did not have any contingent or indirect indebtedness as of 31 December 2022 and as at the date of the Prospectus.

10 SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION

10.1 Introduction, basis for preparation

The selected financial information included in this Section has been extracted from the Financial Information as consisting of the Annual Financial Statements as of and for the years ended 31 December 2021, and the Interim Financial Statements as of and for the twelve months ended 31 December 2022, as defined in Section 4.2 above. All financial information included in this Section should therefore be read in conjunction with, and as qualified in its entirety by reference to, the Financial Information, incorporated by reference to this Prospectus, see Section 18.4 below.

Prior to 2022, the Company used an accounting method with respect to determination of the rate implicit in the lease where an average interest rate of 1% had been applied on leases. During a review of the aircraft lease accounting in 2022 together with the Company's auditor, RSM Norge AS, the Company identified an error in the determination of the rate implicit in the lease, and decided to change the method from 1 January 2022 with retrospective impact. This means that interest rate implicit in leases is increased from an average of 1% to an average of 2.48%, affecting the right of use asset of aircrafts, as well as lease liabilities. Following this adjustment in accounting principles, comparative figures for the eleven months' period ended 31 December 2021 have been restated in accordance with the IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" as adopted by the EU. Consequently, comparable figures for 2021 in this Prospectus are presented as restated.

The table below sets out the key effects of the restatement for the 2021 financial figures.

<i>(in thousands of USD)</i>	From 1 February 2021 to 31 December 2021	Changes	From 1 February 2021 to 31 December 2021 restated
<i>Consolidated statement of comprehensive income</i>			
Revenue	-	-	-
Operating expenses, excluding depreciation, amortization, and aircraft leases	(7,631)	-	(7,631)
Operations results	(7,962)	16	(7,946)
Profit / (loss) for the period	(7,190)	195	(6,996)
<i>Consolidated statement of financial position</i>			
Total assets	276,950	(22 441)	254,510
Total equity	156,390	195	156,585
Total non-current liabilities	118,195	(22 636)	95,560
Total current liabilities	2,365	-	2,365
<i>Consolidated statement of cash flow</i>			
Net cash flows from operating activities	(6,212)	675	(5,537)
Net cash flows from investing activities	(23,778)	(663)	(24,411)
Net cash flows from financing activities	163,502	-	163,502

<i>(in thousands of USD)</i>	From 1 February 2021 to 31 December 2021	Changes	From 1 February 2021 to 31 December 2021 restated
Cash and cash equivalents at the end of the period	134,252	-	134,252

For information regarding the restatement, please refer to note 11, *Restatement of previous periods* in the Interim Financial Statements.

The Annual Financial Statements and the Interim Financial Statements are incorporated by reference to this Prospectus, see Section 18.4 below.

10.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgments, please refer to note 1 of the Annual Financial Statement for 2021, incorporated by reference to this Prospectus.

10.3 Auditors

The Company's independent auditor is RSM Norge AS, with registration number 982 316 588 and registered address Ruseløkkveien 30, 0251 Oslo, Norway. The partners of RSM Norge AS are members of the Norwegian Institute of Public Accountants (Nw.: *Den Norske Revisorforening*). RSM Norge AS has been the Company's independent auditor since February 2021.

The Annual Financial Statements have been audited by RSM Norge AS, and the audit report is included together with the Annual Financial Statements.

Other than the above, RSM Norge AS have not audited, reviewed or produced any report on any other information provided in this Prospectus.

10.4 Consolidated statement of comprehensive income

The table below sets out data from the Company's consolidated statement of comprehensive income as derived from the Financial Information. The development in the comprehensive income is described further in Section 11.4 "*Financial review of the Group's results of operations*".

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022 <i>(unaudited)</i>	From 1 February 2021 to 31 December 2021 restated <i>(restated unaudited)</i>	From 1 February 2021 to 31 December 2021
Revenue	104,269	-	-
Operating expenses			
Personnel expenses	(44,462)	(4,471)	(4,471)
Fuel, oil and emission costs	(61,793)	-	-
Airport charges and handling	(19,537)	-	-
Technical maintenance	(20,482)	(554)	(554)

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated	From 1 February 2021 to 31 December 2021
	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Insurances, licenses and registration	(2,687)	-	-
SG&A costs	(15,630)	(2,606)	(2,606)
Total operating expenses excl. leases, depreciation and amortization	(164,591)	(7,631)	(7,631)
Operating profit/(loss) before leases, depreciation and amortization (EBITDAR)	(60,323)	(7,631)	(7,631)
Variable aircraft rentals	(27,263)	-	-
Depreciation and amortization	(58,517)	(315)	(331)
Operating profit/(loss)	(146,104)	(7,946)	(7,962)
Interest expenses	(24,416)	240	62
Other financial income/(expenses)	(4,455)	709	709
Profit/(loss) before tax	(174,974)	(6,996)	(7,190)
Income tax	-	-	-
Profit/(loss) after tax and total comprehensive income	(174,974)	(6,996)	(7,190)
Earning per share to equity shareholders (in USD)			
Basic and Diluted	(2)	(0.09)	(0.09)

10.5 Consolidated statement of financial position

The table below sets out data from the Company's consolidated statement of financial position as derived from the Financial Information. The development in the financial position is commented further in Section 11.5 "*Financial review of the Group's financial position*".

<i>(in thousands of USD)</i>	31 December 2022	31 December 2021 restated	31 December 2021
	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Non-current assets			
Right-of-use assets	933,146	95,598	119,600
Aircraft preparation investments	-	2,367	2,367
Aircraft lease deposits	15,596	29,267	18,706
Intangible assets	2,801	796	796

<i>(in thousands of USD)</i>	31 December 2022	31 December 2021 restated	31 December 2021
	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Other Right-of-Use assets	236	363	363
Other Property, plant & equipment	6,614	159	159
Total non-current assets	958,394	119,550	141,991
Current assets			
Trade and other receivables	35,857	707	707
Other current assets	26,279	-	-
Restricted cash	5,000	-	-
Cash and cash equivalents	64,709	134,252	134,252
Total current assets	131,846	134,960	134,960
Total assets	1,090,240	254,510	276,950
Equity and liabilities			
Equity			
Share capital	29,945	27,489	27,489
Share premium	162,560	136,091	136,091
Retained earnings	(181,970)	(6,995)	(7,190)
Total equity	10,535	156,585	156,390
Non-current liabilities			
Lease liabilities	912,969	93,359	115,181
Provisions	45,762	2,201	3,015
Total non-current liabilities	958,731	95,560	118,195
Current liabilities			
Lease liabilities	48,760	314	314
Other current liabilities	18,910	-	-
Trade and other payables	53,303	2,051	2,051
Total current liabilities	120,973	2,365	2,365
Total equity and liabilities	1,090,240	254,510	276,950

10.6 Consolidated statement of cash flow

The table below sets out data from the Company's consolidated statement of cash flow as derived from the Financial Information. The development in cash flow is described further in Section 11.6 "Financial review of the Group's liquidity and capital resources".

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated	From 1 February 2021 to 31 December 2021
	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Cash flows from operating activities			
Profit/(loss) for the period	(174,974)	(6,996)	(7,190)
Adjustments for items not affecting operating cash flows:			
Depreciation and amortisation	58,517	279	331
Net financial items	31,653	(593)	(697)
Net operating cash flows before working capital movements	(84,803)	(7,310)	(7,556)
Working capital movements	8,007	1,773	1,344
Net cash flows from operating activities	(76,796)	(5,537)	(6,212)
Cash flows from investing activities			
Aircraft deposits paid	-	21,033	20,400
Aircraft preparation investments	(1,603)	(2,416)	(2,416)
Net investment/proceeds in financial assets	(1,314)	-	-
Other investments	(7,816)	(962)	(962)
Net cash flows from investing activities	(10,734)	(24,411)	(23,778)
Cash flows from financing activities			
Net proceeds from share issue	28,925	163,580	163,580
Lease payments	(1,322)	(66)	(66)
Movements in restricted cash	5,000	-	-
Interest paid	(15)	(12)	(12)
Net cash flows from financing activities	22,589	163,502	163,502
Effect foreign currency revaluation on cash	(4,602)	698	740
Net increase in cash and cash equivalents	(69,543)	134,252	134,252
Cash and cash equivalents at the beginning of the period	134,252	-	-
Cash and cash equivalents at the end of the period	64,709	134,252	134,252

10.7 Consolidated statement of changes in equity

The table below sets out data from the Company's consolidated statement of changes in equity as derived from the Financial Information.

<i>(in USD thousands except for number of shares)</i>	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Equity at 1 January 2022	77,684,314	27,489	136,091	(6,995)	156,585
Changes in share capital					
12 December 2022 reduction of nominal value	-	(13,597)	13,597	-	-
12 December 2022 Equity Issue \$0.13 (NOK 1.25) per share	128,400,000	16,053	16,053	-	32,106
Transaction Costs	-	-	(3,180)	-	(3,180)
Total comprehensive income for the period	-	-	-	(174,975)	(174,975)
Equity at 31 December 2022	206,084,314	29,945	162,561	(181,970)	10,535
Equity at 1 February 2021					
Shares issued on the date of incorporation 1 February 2021 at USD 11.63 (NOK 100) per share	300,000	3,489	-	-	3,489
Changes in share capital					
14 March 2021 share split	2,700,000	-	-	-	-
14 March 2021 reduction of nominal value	-	(2,433)	2,433	-	-
14 March equity issue USD 1.18 (NOK 10) per share	7,000,000	2,485	5,797	-	8,282
8 April 2021 equity issue USD 2.36 (NOK 20) per share	63,750,000	22,531	127,677	-	150,209
Transaction costs	-	-	(7,894)	-	(7,894)
12 Mai 2021 equity issue USD 2.42 (NOK 20) per share	3,934,314	1,427	8,084	-	9,510
Transaction costs	-	-	(16)	-	(16)
Total comprehensive income for the period	-	-	-	(6,995)	(6,995)
Equity at 31 December 2021	77,684,314	27,489	136,091	(6,995)	156,585

10.8 Segment information

10.8.1 Introduction

The Annual Financial Statements are prepared in accordance with IFRS. The Interim Financial Statements are prepared in accordance with IAS 34.

The information on revenue and other operating income set out below is extracted from the Financial Information. See Section 11.1.2 "Operating segments and reporting segments" for further discussion on operational and financial measures the Group believes are useful in assessing its historical and future performance.

10.8.2 Total revenue and other operating income for the periods covered by the Financial Information

The table below sets out total revenue and other operating income divided into "revenues" and "other operating income" as extracted from the Financial Information:

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated
Revenue		
Passenger revenue	63,680	-
Ancillary passenger revenue	13,880	-
Other income	26,708	-
Total operating revenue	104,269	-

10.9 Geographic information

The table below sets out revenue generated based on the geographic presence of the Group's customers:

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated
Revenue		
Norway	23,104	-
UK	11,175	-
Europe (excl. Norway and UK)	29,164	-
USA	37,508	-
Other	3,318	-
Total revenue	104,269	-

10.10 Related party transactions

10.10.1 Introduction

The Group enters into transactions with related parties who are not part of the Group during the financial year. The Group also enters into transactions with related parties who are part of the Group, and such transactions are eliminated upon consolidation in the Group's financial statements. All transactions have been entered into in accordance with the arms' length principle, meaning that prices and other main terms and conditions are deemed to be commercial.

Set out in Sections 10.10.2 – 10.10.4 below are summaries of the Group's transactions with related parties who are not members of the Group for the periods covered by the Financial Information included in this Prospectus and up to the date of this Prospectus, as extracted from the Financial Information.

10.10.2 Transactions carried out with related parties from 1 February 2021 to 31 December 2021

The Group had the following transactions with related parties from 1 February 2021 to 31 December 2021:

- i) The Company's CEO, Bjørn Tore Larsen, is the chairman of the board of directors of and controlling shareholder of B T Larsen & Co Ltd, OSM Aviation and Arendals Dampskibsselskab AS.

B T Larsen & Co Ltd entered into two term sheets which established the ability for the Company to enter into the Lease Agreements. B T Larsen & Co Ltd has not and will not receive any compensation from either the lessor or the Company for its role in these transactions and is not a party to the Lease Agreements.

During the start-up phase of the Company, Norse Atlantic has utilised office space and received legal and professional services from Arendals Dampskibsselskab AS. The Company will look to enter into formal agreements with Arendals Dampskibsselskab AS for the provision of these items at cost to the extent they are required or strategic to the Company on a go-forward basis.

- ii) ADS Shipping Ltd ("**ADS**") is a group controlled by the Company's CEO, Bjørn Tore Larsen. During the Period Norse Atlantic has received total income of USD 0.2 million for financial consulting services it has provided to ADS. During the early phase of the Company before Norse Atlantic had employees, ADS provided financial consulting services to Norse Atlantic for which Norse Atlantic paid USD 0.1 million. Both these amounts have been reported in the Company's general and administrative expenses.
- iii) The Company's at the time COO, Espen Høiby, was a director and former CEO of OSM Aviation in which he is also a minority shareholder.

The Company entered into an agreement with OSM Aviation Academy Holding AS ("**OSM AHH**") for the provision of the services of Head of Flight Operation, Bjørn Granviken. OSM AHH is a wholly owned subsidiary of OSM Aviation, with the Company's CEO, Bjørn Tore Larsen, and the Company's at the time Chief Operating Officer, Espen Høiby, both at the time, and Høiby still, board of directors of OSM AAH.

10.10.3 Transactions carried out with related parties from 1 January 2022 to 31 December 2022

The Group had the following transactions with related parties from 1 January 2022 to 31 December 2022:

- i) The Company's CEO, Bjørn Tore Larsen, is the controlling shareholder of the OSM Aviation group of companies. During the period from 1 January 2022 to 31 December 2022 Norse Atlantic had the following transactions with OSM Aviation Group companies:
 - OSM Aviation Airtech AB performed technical aircraft service work for a total value of USD 60,310.
 - OSM Aviation Academy AS supplied pilot training services to Norse Atlantic for a total cost of USD 114,944.
- ii) The Company's CEO, Bjørn Tore Larsen, is the controlling shareholder and chairman of the board of the OSM Maritime Group. During 2022, Norse Atlantic received IT consulting services from OSM Maritime Group AS for a total of 15.5 hours at a total cost of USD 2,318.
- iii) OSM Aviation Academy AS has had 787 training for pilots for USD 114,944.
- iv) The Company's CEO, Bjørn Tore Larsen, is the largest shareholder and chairman of the board of the ADS Shipping Group and during 2022 Norse Atlantic provided financial and accounting services to Arendals Dampskibsselskab AS for a total fee of NOK 220,284 to ADS AS.

All related party transactions above in this Section 10.10.3 are considered a part of the Company's ordinary business, and not of any material value on an arm's length basis.

10.10.4 Transactions carried out with related parties in the period following 31 December 2022 and up to the date of this Prospectus

The Group has not completed any transactions with related parties in the period following 31 December 2022 and up to the date of this Prospectus.

10.11 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus. The Company has not included the expected proceeds of the Subsequent Offering in the calculation of its working capital.

11 OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with the Financial Information and related notes included therein. The Financial Information has either been incorporated by reference into this Prospectus (see Section 18.4 below) or is appended to the Prospectus.

This operating and financial review should be read together with Section 4 "General information", Section 8 "Business of the Group", Section 10 "Selected historical financial information and other information", and the Financial Information and related notes. This operating and financial review contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Group's current expectations, estimates, assumptions and projections about the Group's industry, business, strategy and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 2 "Risk factors" of this Prospectus, as well as other Sections of this Prospectus. An overview of the APMs discussed in this operating and financial review is presented in Section 4.2.5 "Alternative performance measures".

11.1 Overview

11.1.1 Introduction

Norse Atlantic was established in 2021 with the aim of filling the gap that was created by other airlines pulling out of completely or reducing capacity in the transatlantic low-cost airline segment, an opportunity that was presented during the height of the Covid pandemic. The Company's focus is on flying from a small number (*i.e.* 5 to 10) of cities in Europe to a small number of destinations in the US, focusing on city pairs that have historically had high traveller demand. Norse Atlantic expects the London and Paris European markets, as well as the New York market in the US, to be its three largest cities served, since these are the three locations with biggest catchment areas in terms of residents and have historically been the busiest transatlantic routes (*i.e.* see Table 5, above).

The Company was incorporated on 1 February 2021 and the first two months were focused on securing the first aircraft leases, raising financing and the IPO; the Company successfully completed these three events simultaneously and was had its first day of trading on the Euronext Growth Oslo on 12 April 2021. The remainder of 2021 and the first half of 2022 were focused on building the organization – recruiting people, building the IT infrastructure, implementing routines, for example – achieving the regulatory approvals for operating a commercial airline, securing airport landing rights, entering agreements with employment unions, securing additional aircraft leases, and more.

Norse Atlantic started selling its first tickets on 28 April 2022 and had its first flight on 14 June 2022, flying Oslo to New York John F. Kennedy Airport. During the remainder of 2022, Norse Atlantic increased the number of destinations served to include Berlin, Orlando, Fort Lauderdale and Los Angeles. All of the Company's flights during 2022 were operated by its Norwegian AOC, Norse Norway. The Company's UK AOC, Norse UK, did not operate any flights during 2022 and had its first flight scheduled for 26 March 2023, with tickets available for sale by Norse UK from 14 February 2023.

The Company's flexible aircraft leasing terms, which include power by the hour elements during at least the first 12 months following aircraft delivery, enabled it to take a cautious and steady approach to ramping-up. During 2022 the Company entered short-term sublease contracts whereby Norse Atlantic dry leases out 5 of its aircraft, securing a fixed cash profit each month during the sub-lease periods, a period that Norse Atlantic was not intending to fly the aircraft itself during the start-up period. Four aircraft commenced sublease around the end of June 2022 and the fifth at the end of December 2022, with each sublease for 18-months from delivery dates.

Due to the Company's limited operations during 2022, including that Norse UK did not start operating until 26 March 2023, then the Company's earnings to-date are not reflective of its earnings potential when it has both AOCs in operation and is utilizing all of its fleet of 15 aircraft.

11.1.2 *Operating segments and reporting segments*

During 2021 and 2022 the Company has been in start-up phase, with first revenue-generating activities only commencing with its first commercial flight on 14 June 2022. The Company's operating profit will be derived from airline-related activities and its main revenue generating asset is the aircraft fleet, which is utilized across the Company's geographies. Management reviews the Company's internal reporting to assess performance and allocate resources, and considers the main business to be low-cost air passenger travel, with revenues consisting of ticket fares and ancillary passenger revenues. Additionally, the Company generates revenue from non-passenger cargo (freight) on its scheduled flights. Earnings from sublease of aircraft (dry lease) is a separate source of revenue. The Company expects to earn revenues from maintenance services provided by the Company's technical personnel to third parties, although this is not expected to be significant in comparison to other earning sources.

11.1.3 *Profit forecast*

In the Interim Financial Statements, the Company has communicated that strong sales momentum at the end of 2022 and post period end for summer season bookings give preliminary indications that the second half of 2023 could be the Company's first period of profitability since it commenced flying. This target is an adjusted earnings target that focuses on cash earnings, and remains valid and unchanged. It relies on the Group's continued growth and success in the principal markets in which it operates and on a continued increase in ticket sales. The target is prepared in accordance with estimates based on the Company's historical financial information and is consistent with the Company's accounting policies. The adjusted profit forecast is based on earnings from operations (EBIT) adjusted for non-cash lease accounting costs.

The Group's continued growth and success is based, among other things, on the following principal assumptions:

- Successful ramp-up of production/management of growth/maturity of launched routes. From 26 March 2023 and through into Q3 2023 the Company significantly increases its production by adding operational aircraft and new routes, operating from airports for the first time.
- No material operational disruptions. The Company's forecast does not include material disruptions that could potential occur, such as those caused by prolonged strikes causing airport closures, extreme weather events reducing operations over a prolonged period, extended maintenance issues, or 'black swan' events such as new pandemics.
- Fuel price. The Company bases its fuel cost forecasts on the fuel futures pricing, but does not currently have any fuel hedging arrangements and is therefore exposed to changes in jet fuel prices. If the actual jet fuel price is significantly higher than that used in the Company's forecast this could result in higher costs and have a material impact on the profit target.
- Macroeconomic developments, such as those that could reduce consumer travel spending (e.g. banking crisis or cost of living crisis caused by inflationary pressures), or geopolitical developments, are not forecast by the Company.
- Ticket sales, air fares levels and load factor. The Company's forecasts include assumptions about future bookings, including pricing and volume, on all of the routes it intends to operate. Should the future bookings not be as expected, this could have a significant impact on the Company's target

Assumptions regarding the Group's future booking and operational disruptions are dependent on macroeconomic developments and the performance of third parties, including the Group's suppliers. Although the Board of Directors and Management may influence these factors through the Company's own performance, including through the development of the Company's business model, these assumptions are consequently not under the Board of Directors or Management's direct control. If the overall demand for international air travel should develop

unfavourably, this could affect the assumption of forward bookings, including volume and ticket prices, and result in loss of revenue for the Group. This assumption, as well as fuel cost forecasts, are dependent on macroeconomic developments and are exclusively outside the influence of the Board of Directors and Management.

The outcome of the forecast could be materially changed if factors such as the Group's not succeeding in achieving its anticipated ticket sales at estimated air fare levels, or the Group experiencing material operational disruptions, should materialize. Important trends in the market in which the Group operates may be difficult to predict, including how large the demand for international air travel will be. For further details, see Sections 2.1 "*Risks associated with the Group's business*" and 2.2 "*Risk factors related to the industry and market in which the Group operates*".

11.1.4 *Other financial targets*

In addition the abovementioned profit forecast set out in Section 11.1.3 above, the Group has decided upon a few short and long-term financial targets:

- Short-term targets:
 - o Cash balance of >\$50 million at 30 June and >\$100m at 31 December 2023
 - o Total revenues >\$500 million in 2023
 - o Cargo revenue >10% of total revenues
 - o Ancillary revenue >\$100 per passenger
- Medium-term targets:
 - o Best-in-class CASK (excluding fuel) of USD 2.7 cents per ASK
 - o Load factor >90%

11.2 **Principal factors affecting the Group's financial condition and results of operations**

The Group's results of operations have been, and will be, affected by a range of factors. The factors that the Company believes to have material effect on the Group's results of operations, and also those considered likely to have material effect on the results of operations going forward, are listed and described below. Please also refer to Section 7 "*Industry and market overview*" for an overview over the main drivers of profitability in the Group's industry.

11.2.1 *Covid pandemic development*

The Company was formed during the height of the Covid pandemic and its first flight in June 2022 was at a time when the worst of the pandemic appears to be behind us. Although the market has gradually rebounded during 2022 and into 2023, world commercial flights and passenger numbers remain below 2019 pre-Covid levels.

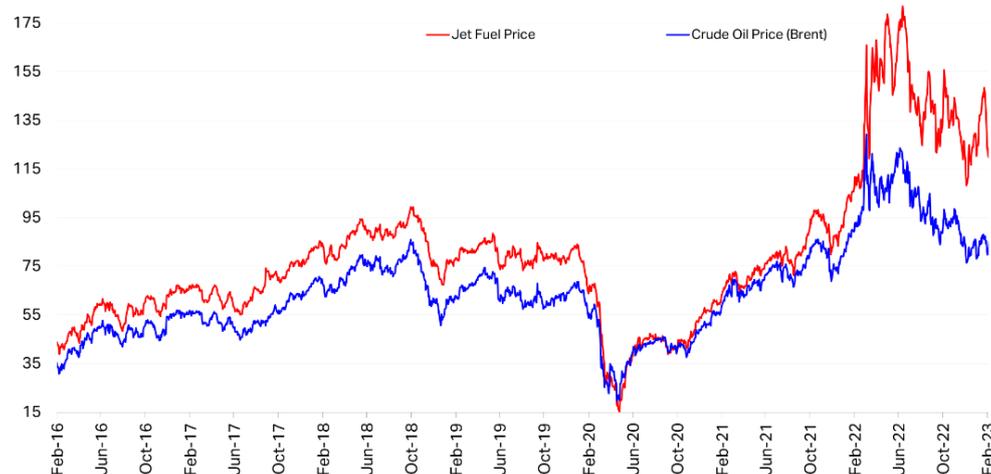
11.2.2 *Fuel price*

Expenses for jet fuel are expected to be the largest cost for flight operations. Jet fuel prices are sensitive to variations in crude oil prices and have substantially varied over time. Since the incorporation of Norse Atlantic in February 2021 jet fuel prices have approximately doubled, while following the invasion of Ukraine in early 2022, jet fuel prices have increased approximately 50%. Any changes in the price of jet fuel will affect the results and cash flow of the Company. Norse Atlantic has from 1 February 2023 implemented a fuel surcharge of USD 20 per passenger per long haul flight, which partially covers some of the increased jet fuel cost. The Company is currently not hedged for variances in jet fuel prices.

Figure 14 – Jet fuel price developments since 2016 (source: IATA, <https://www.iata.org/en/publications/economics/fuel-monitor/>)

Jet fuel price developments - longer term perspective

Jet Fuel & Crude Oil Price (\$/barrel)



Source: S&P Global, Refinitiv Eikon

11.2.3 Forex

Approximately half of the Company's passenger revenues are denominated in USD, while all cargo revenue and aircraft lease revenues are in USD, hence the majority of revenues are in USD. Other passenger revenues are a mixture of GBP, NOK and EUR. 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 jurisdiction. The Company has approximately the same revenue-to-cost ratio in the four main currencies of USD, GBP, EUR and NOK. The Company is currently not hedged for risks resulting in currency fluctuations.

11.2.4 Inflation and general macroeconomic conditions

Inflation and changes in purchasing power in the markets the Company operates in may impact traveller behaviour. Inflation in Europe and the US has been relatively high during 2022 and it is uncertain how that will impact traveller behaviour. Prolonged high-inflation may also put pressure on operating costs, particularly on personnel costs. Also, long-distance travel is generally considered a non-essential good which is subject to being cut back by consumers in the event of an economic recession. However, a high-inflation environment or an economic recession may provide a competitive opportunity to the Group, in terms of increasing market share by capturing travellers that would have previously chosen to travel on a higher cost/legacy airline and changes their behaviour by consuming a low-cost product.

11.2.5 Seasonal fluctuations

Like most other airlines, the financial performance of the Company may be significantly impacted from quarter-to-quarter within a financial year due to seasonal variations. It is expected that the Company will have higher passenger revenues during the summer season in comparison to the winter season as this is the period during which there has historically been more leisure travel. Norse Atlantic aims to counter the potentially lower demand for point-to-point transatlantic leisure travel in the winter months by targeting wet lease and charters to supplement its regular network.

11.2.6 Fixed operating cost base

Norse Atlantic is a low-cost airline and has an aim to have the lowest unit cost (*i.e.* CASK excl. fuel) in the markets it operates in. However, the airline industry has historically been characterized by high fixed operating costs and relatively low profit margins. Fixed operating costs predominantly relate to aircraft leases and ownership costs, part of crew salaries, aircraft maintenance and insurance, as well as corporate administrative costs. Norse Atlantic has aimed to mitigate the risk of high fixed costs during start-up on its aircraft by ensuring flexible power-by-the-hour lease terms, though those come to an end fully or partially (depending on which aircraft) from 12 months after delivery of the aircraft to Norse. Some fixed costs will be expected to generally develop in line with growth. While the Company is still ramping-up operational aircraft during 2023 and 2024 it may suffer from diseconomies of scale from certain costs, such as overhead costs.

11.2.7 Extreme global events

The financial performance of the airline industry can be significantly impacted by extraneous global events, such as terrorist incidents or other major incidents involving aircraft that may impact customers' willingness to fly. The Group's future earnings may be negatively influenced by events over which it has no control, including adverse weather conditions, epidemics and other natural events.

11.3 Recent development and trends

11.3.1 Recent developments

Inflation and interest rates are high in Europe and the US, impacting the spending power of consumers in 2022, and will impact 2023 as well as the inflation is still high in the beginning of 2023 and interest rates have increased.

Jet fuel prices remain high and make-up a much higher proportion of airlines' cost base in 2022 than previously. Norse Atlantic does not currently have any fuel hedging arrangements in place and is thus fully exposed to fluctuations in fuel prices. Further increases in aviation fuel price and any significant and prolonged adverse movements in currency exchange rates could impact the Company's earnings in 2023. At the same time Norse Atlantic are constantly working on creating more profitable agreements regarding fuel purchases.

Norse Atlantic is a very young airline and will only be operating on a scale that gives efficiencies from mid-2023, while it continues to enjoy the benefits of flexible aircraft lease terms, including power by the hour and low lease rates, during its ramp-up.

As expected, 2022 is a loss-making year as it is a start-up year, being the Group's first full financial year since incorporation in 2021. Start-up costs, including investment in systems, costs related to achieving regulatory approvals, recruitment and initial training impacted the Company's bottom line, while the first flight and, thus, first revenue-generating activity, was about halfway through the year. The next financial year – 2023 – will be the Group's first full year of operations, though the Group will be in a start-up / ramp-up phase during the first half of 2023 and it will be the second half of 2023 that the Group is fully operational.

As a start-up airline that was still in the process of obtaining all relevant regulatory approvals, as well as airport slot times, performance in 2022 has been negatively impacted by having short selling windows between launching ticket sales for a route and flights. For example, there were six weeks between Norse Atlantic's first tickets on sale for its Oslo-New York route, while in comparison established (*i.e.* non-start-up) airlines typically have tickets on sale 330 days in advance. Norse Atlantic made its first summer 2023 routes available for sale on 9 November 2022, while due to regulatory approvals the final summer 2023 network was only available for sale from 28 February 2023. As Norse Atlantic is able to increase its booking window it is expected to have a positive impact on ticket sales as customers will have a longer period to make bookings.

The Group is still in the process of obtaining all relevant regulatory approvals. The Group has now secured further landing slots at London Gatwick and New York John F. Kennedy Airport, which the Group will utilize from the summer 2023 season as it ramps-up production. By mid-summer 2023 the Group expects to be utilizing its full fleet of 15 aircraft, with 10 aircraft under own operations and five aircraft on sublease to a third party.

Establishing a new airline takes time and investments, and the Group is on-track to becoming a profitable transatlantic low-cost carrier. Building a reliable and known brand is continuous and is not completed overnight. While tickets were initially only available for sale on the Company's website, the Group's fares have since mid-2022 gradually become available on more and more platforms, including finn.no, kayak.com, kiwi.com, skyscanner.net, and booking.com. During 2023 the Group expects to have tickets for sale on Expedia and will look to add additional selling platforms.

The Group is sufficiently financed and ready for ramp-up to fully operational fleet in summer 2023, including 5 aircraft based at London Gatwick. Strong sales momentum at the end of 2022 and post period end for summer season bookings give preliminary indications that the second half of 2023 could be the Company's first period of profitability since it commenced flying.

11.3.2 Significant changes in the financial position or performance of the Group

There has been no significant change in the financial position or the financial performance of the Group since 31 December 2022 and up to the date of this Prospectus.

11.4 Financial review of the Group's results of operations

11.4.1 Overview

The table below sets out selected comparative results of operations from the Annual Financial Statements and Interim Financial Statements for the period from 1 January 2022 to 31 December 2022 and for the period from 1 February 2021 to 31 December 2021. Comments on changes are based on a comparison between 2022 numbers and 2021 restated unaudited numbers.

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022 <i>(unaudited)</i>	From 1 February 2021 to 31 December 2021 restated <i>(restated unaudited)</i>	From 1 February 2021 to 31 December 2021
Revenue	104,269	-	-
Total operating expenses, excluding depreciation, amortization, and aircraft leases	(164,591)	(7,631)	(7,631)
Operations results	(146,104)	(7,946)	(7,962)
Profit / (loss) for the period	(174,974)	(6,996)	(7,190)

11.4.2 Revenue

Revenue for the period from 1 January 2022 to 31 December 2022 was USD 104.3 million.

The Company did not have any operating revenues during 2021 as revenue-generating activities did not commence until June 2022.

During the 6 months of operation in 2022, the Group recorded a total operating revenue of USD 104.3 million, consisting of USD 77.6 million in revenues from passengers and USD 26.7 million in revenue from other sources.

Airfare revenue averaged USD 215 per passenger and ancillary revenue USD 47 per passenger, an aggregate of USD 262 per passenger, generating USD 63.6 million and USD 13.9 million. The Group had four aircraft on sublease to a third party from around the start of the July 2022, and one aircraft that commenced sublease at the end of December 2022. The Group recorded lease rental income of USD 14.4 million during the period from 1 January 2022 to 31 December 2022. The Group have had a total net cargo revenue of USD 10.3 million and the Group performed 30 ad-hoc charter flights, recording charter revenue of USD 1.2 million during the period from 1 January 2022 to 31 December 2022. The Group had no operating income in the period from 1 February 2021 to 31 December 2021 due to no operational activity.

11.4.3 Operating expenses, excluding depreciation, amortization, and aircraft leases

The Group's operating expenses excluding depreciation, amortization, and aircraft leases for the period from 1 January 2022 to 31 December 2022 were approximately USD 164.6 million compared to approximately USD 7.6 million for the period from 1 February 2021 to 31 December 2021, an increase that was primarily due to the Group's operations starting in June 2022.

For the period from 1 January 2022 to 31 December 2022 the Group's operating expenses consisted of USD 44.5 million in personnel expenses, USD 104.5 million in aircraft operating costs and USD 15.6 million in marketing and administrative costs. In comparison, for the period from 1 February 2021 to 31 December 2021 the Group's operating expenses consisted of USD 4.5 million in personnel expenses, USD 0.5 million in aircraft operating costs and USD 2.6 million in marketing and administrative costs.

Variable aircraft lease expenses were USD 27.3 million for the period from 1 January 2022 to 31 December 2022, which is equal to the amount the Group paid in power-by-the-hour aircraft lease costs. The Group recognized USD 58.5 million of depreciation and amortization during the period from 1 January 2022 to 31 December 2022, of which USD 57.9 million related mainly to amortization of the aircraft right-to-use assets. Total depreciation and amortization were recognized as USD 0.3 million for the period from 1 February 2021 to 31 December 2021.

The Group's net financial expense was USD 28.9 million for the period from 1 January 2022 to 31 December 2022, consisting of USD 23.1 million in lease accounting interest cost, compared to a gain in financial income of USD 0.95 million for the period from 1 February 2021 to 31 December 2021.

11.4.4 Operations results

The operating loss for period from 1 January 2022 to 31 December 2022 was approximately USD 146.1 million compared to approximately USD 7.9 million as of 31 December 2021, an increase that was primarily the result of the Group's operations starting in June 2022 leading to increased operating costs.

11.4.5 Profit / (loss) for the period

The loss for the period from 1 January 2022 to 31 December 2022 was approximately USD 175 million compared to approximately USD 7 million as of 31 December 2021.

11.5 Financial review of the Group's financial position

The table below sets out selected comparative financial position data on a consolidated basis from the Annual Financial Statements and the Interim Financial Statements as of 31 December 2022 and 31 December 2021. Comments on changes are based on a comparison between 2022 numbers and 2021 restated (unaudited) numbers.

<i>(in thousands of USD)</i>	31 December 2022 <i>(unaudited)</i>	31 December 2021 restated <i>(restated unaudited)</i>	31 December 2021
Total assets	1,090,240	254,510	276,950
Total equity	10,535	156,585	156,390
Total non-current liabilities	958,731	95,560	118,195
Total current liabilities	120,973	2,365	2,365

Total assets

As of 31 December 2022, the Group's total assets were approximately USD 1,090 million compared to approximately USD 255 million as of 31 December 2021, an increase that was primarily due to an increase in the rights to use aircraft, as the Group's aircraft fleet increased from one to fifteen aircrafts.

Total equity

As of 31 December 2022, the Group's total equity was approximately USD 10.5 million compared to approximately USD 156.6 million as of 31 December 2021, a decrease that was primarily due to the profit loss of USD 175 million in the period from 1 January 2022 to 31 December 2022.

Total non-current liabilities

As of 31 December 2022, the Group's total non-current liabilities were approximately USD 958.7 million compared to approximately USD 95.6 million as of 31 December 2021, an increase that was primarily due to Group's fleet of leased aircraft increasing from one to fifteen aircraft.

As of 31 December 2022, the Group's leases non-current liabilities were approximately USD 913 million, compared to approximately USD 93.4 million as of 31 December 2021. Provision amounted to approximately USD 45.8 million as of 31 December 2022 compared to approximately USD 2.2 million as of 31 December 2021.

Total current liabilities

As of 31 of December 2022, the Group's total current liabilities were approximately USD 121 million, compared to approximately USD 2.4 million as of 31 December 2021. Trade and other payables amounted to approximately USD 53.3 million as of 31 December 2022, compared to approximately USD 2.1 million as of 31 December 2021. Other current liabilities were approximately USD 19 million as of 31 December 2022, compared to USD zero as of 31 December 2021. As of 31 December 2022, the Group's leases liabilities were approximately USD 48.8 million, compared to approximately USD 0.3 million as of 31 December 2021. The increases in current liabilities is primarily the result of the Group's operations starting in June 2022 and there being no operational activity in 2021.

11.6 Financial review of the Group's liquidity and capital resources**11.6.1 Sources and use of cash**

The Group's principal sources of liquidity are earnings from ticket and cargo revenues, aircraft lease income and available cash.

The Company is a non-operative holding company, and the main portion of the Group's cash balance is therefore held at subsidiary level to cover the daily liquidity requirements of the operating subsidiaries.

Cash is used as part of the Group's ordinary operating activities, including payment for aircraft operating expenses, (such as jet fuel, handling costs, airport and air traffic control charges), aircraft lease payments, administrative expenses, personnel costs, marketing and capital expenditure.

The Group's net decrease in cash and cash equivalents for the period from 1 January 2022 to 31 December 2022 was approximately USD 69.5 million, mainly driven by net cash flow from operations of an outflow approximately USD 77.0 million, a net cash outflow from investing activities of approximately USD 10.7 million and approximately USD 22.6 million inflow from financing activities. The inflow from financing activities was mainly net proceeds from the private placement equity raise were approximately USD 28.9 million. The Group's cash and cash equivalents as of 31 December 2022 was approximately USD 64.7 million, while the total cash was approximately USD 69.7 million, including approximately USD 5.0 million in restricted cash.

The Company has no loan financing, but leases its aircraft through leasing agreements. The Company will raise new equity of up to NOK 150 million in gross proceeds in connection with the Subsequent Offering, as further described in Section 16 "*The Subsequent Offering*".

11.6.2 Cash flows

The table below sets out selected data on cash flow relating to the Group, for the period from 1 January 2022 to 31 December 2022 and for the period from 1 February 2021 to 31 December 2021, extracted from the Financial Information. Comments on changes are based on a comparison between 2022 numbers and 2021 restated (unaudited) numbers.

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated	From 1 February 2021 to 31 December 2021
	<i>(unaudited)</i>	<i>(restated unaudited)</i>	
Net cash flows from operating activities	(76,796)	(5,537)	(6,212)
Net cash flows from investing activities	(10,734)	(24,411)	(23,778)
Net cash flows from financing activities	22,589	163,502	163,502
Cash and cash equivalents at the end of the period	64,709	134,252	134,252

Net cash from operating activities

Net cash flow from operating activities for the period from 1 January 2022 to 31 December 2022 was negative USD 76.8, which included operating loss for the period, adjusted for changes in working capital of USD 8 million.

Net cash flow from operating activities for period from 1 February 2021 to 31 December 2021 was negative USD 5.5 million, which included operating loss for the period, adjusted for changes in working capital of USD 1.8 million. The Group did not have any revenues from operating activities in 2021.

Net cash from investing activities

Net cash flow from investing activities for the period from 1 January 2022 to 31 December 2022 was USD 10.7 million compared to USD 24.4 million for the period from 1 February 2021 to 31 December 2021. In 2021 the Company had USD 21 million in payments related to aircraft lease deposits, and USD 14.6 million of payments related to maintenance reserves paid to the aircraft lessors in 2022.

Net cash from financing activities

Net cash flow from financing activities for the period from 1 January 2022 to 31 December 2022 was USD 22.6 million, attributable to the share capital issue in December 2022 (the Private Placement). Net cash flow from financing activities for the period from 1 January 2021 to 31 December 2021 was USD 163.5 million which was primarily attributable to the share capital issues.

Cash and cash equivalents at the end of the period

Cash and cash equivalents at the end of the period from 1 January 2022 to 31 December 2022 was USD 64.7 million compared to USD 134.3 million for the period from 1 February 2021 to 31 December 2021, representing a total cash outflow of USD 69.6 million.

11.7 Investments**11.7.1 Principal historical investments**

The investment activity of the Group in the period covered by this Prospectus primarily consists of investments to relating to the Group's fleet of aircrafts. The main investments in 2021 consisted of deposits paid to the two lessors to secure the long-term aircraft leases (see 8.9.2), the cost of the aircraft livery to get the aircraft in the Norse Atlantic logo and colours, as well as aircraft technical supervision costs. The table below sets out an overview of the material investments made by the Group as of and for period from 1 January 2022 to 31 December 2022, and the period from 1 February 2021 to 31 December 2021:

<i>(in thousands of USD)</i>	From 1 January 2022 to 31 December 2022	From 1 February 2021 to 31 December 2021 restated
Aircraft lease deposits ¹⁾	-	21,033
Aircraft preparation investments ²⁾	1,603	2,416
Investments in IT and other intangibles ³⁾	7,816	962
Net investment/proceeds in financial assets	1,314	-

Notes:

- ¹⁾ Lease deposits paid to the aircraft lessors. See Section 8.9.2 "*Aircraft leasing agreements*" for further information.
- ²⁾ Aircraft preparation investments consist mainly of the cost of the livery for each aircraft.
- ³⁾ As a start-up the Group has had to invest in IT infrastructure across its business. The Group does not develop any software itself and in general aims to buy off-the-shelf products, though some of these require investment to integrate with other systems and to get the necessary functionality from the systems.

The information provided in the table above is extracted from the Financial Information.

11.7.2 Principal investments in progress and planned principal investments

As of the date of this Prospectus, there are no material investments of the Group that are in progress or for which firm commitments have been made.

11.8 Financing and other contractual obligations

As of the date of this Prospectus, there are no off-balance sheet arrangements, other than the aircraft leases, as further detailed in Section 8.9.2 "*Aircraft leasing agreements*" above.

<i>(In thousands of USD)</i>	Within 6 months	6-12 months	1-2 years	3-5 years	More than 5 years	Total
Aircraft lease payments	21,780	30,705	81,174	174,600	702,272	1,010,531

<i>(In thousands of USD)</i>	Within 6 months	6-12 months	1-2 years	3-5 years	More than 5 years	Total
Other lease payments ¹⁾	1,372	1,187	2,393	4,440	16,925	26,316
Trade and other payables	72,213	-	-	-	-	72,213
Total as at 31-Dec-2021	95,364	31,892	83,567	179,040	719,197	1,109,060

Notes:

- ¹⁾ Other lease payments mainly relate to lease of aircraft components and office rentals

12 THE BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

12.1 Introduction

The general meeting is the highest decision-making authority of the Company. All shareholders of the Company are entitled to attend and vote at general meetings and to table draft resolutions for items to be included on the agenda for a general meeting.

The overall management of the Company is vested with its Board of Directors, and each Board Member and the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organization, preparing plans and budgets for its activities ensuring that the Company's activities, accounts, and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Board of Directors has established an audit committee. In addition, the Company intends to appoint a nomination committee in accordance with the recommendations set out in the Corporate Governance Code, at the annual general meeting of the Company in 2023. The audit committee have been established, and the nomination committee is expected to be established, in accordance with the Corporate Governance Code (as defined below), and comply with applicable laws and regulations for such committees. See Sections 12.8 below for more information on the Company's committees.

The Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's chief executive officer (the "CEO"), is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, the CEO must, according to Norwegian law, brief the Board of Directors about the Company's activities, financial position and operating results at a minimum of one time per month.

12.2 The Board of Directors

12.2.1 Introduction

The Articles of Association provide that the Board of Directors shall comprise between three and seven board members, as elected by the Company's shareholders. The current Board of Directors consists of three Board Members, as listed in the table in Section 12.2.2 below.

Pursuant to the Norwegian Code of Practice for Corporate Governance, last revised on 14 October 2021 (the "**Corporate Governance Code**"), the composition of the board of directors of a Norwegian public limited liability company listed on a regulated market shall comply with the following criteria: (i) the majority of the shareholder-elected members of the board of directors should be independent of the company's executive management and material business contacts, (ii) at least two of the shareholder-elected board members should be independent of the company's main shareholders (being shareholders holding more than 10% of the shares of the company), and (iii) no member of the company's management should be on the board of directors.

The composition of the Board of Directors is in compliance with the recommendations under the Corporate Governance Code, see Section 12.9 below.

12.2.2 Composition of the Board of Directors

The names and positions, current term of office and shareholdings of the Board Members as of the date of this Prospectus are set out in the table below. The Company's registered business address serves as business address for the Board Members as regards their directorship in the Company.

Name	Position	Served since	Term expires	Shares
Terje Bodin Larsen ¹⁴	Chair of the Board	2021	2023	100,000
Bjørn Kjos ¹⁵	Board Member	2021	2023	3,640,000
Aase Kristine Mikkelsen	Board Member	2021	2023	-

No Board Members own any options or other securities exchangeable for Shares.

12.2.3 Brief biographies of the Board of Directors

Set out below are brief biographies of the Board Members. The biographies include each Board Member's relevant management expertise and experience, an indication of any significant principal activities performed by such member outside the Company and names of companies and partnerships where the member is or has been a member of the administrative management or supervisory bodies or partner in the previous five years (not including directorships and executive management positions in subsidiaries of the Company).

Terje Bodin Larsen, Chairman

Terje Bodin Larsen is the chairman of Norse Atlantic. Terje Bodin Larsen has held senior positions within the banking and maritime industries, and is currently the CEO of Oslo-listed ADS Maritime Holding Plc and Arendals Dampskibsselskab AS. He joined Arendals Dampskibsselskab in 2008 from the position as Managing Director of the Nordic operations of US based broker DeWitt Stern. Terje Bodin Larsen is a law graduate from University of Oslo, and is admitted to the Norwegian Bar.

Current directorships and management positions: Arendals Dampskibsselskab AS (CEO), ADS Shipping AS (CEO), ADS Shipping AS (chair) and ADSMH Management AS (chair).

Previous directorships and management positions last five years: -

Bjørn Kjos, Board member

Bjørn Kjos is a Board Member of Norse Atlantic. Bjørn Kjos was the founder and CEO of Norwegian Air Shuttle from 2003 to 2018 and was previously a partner in Simonsen Vogt Wiig from 1983-2003. Bjørn Kjos is a trained fighter pilot, lawyer, and was admitted to the Supreme Court of Norway in 1994.

Current directorships and management positions: Observatoriet Holding AS (chair), Observatoriet Invest AS (chair), Sokna Holding AS (board member), Norwegian Block Exchange AS (board member and Switchr AS (board member)

Previous directorships and management positions last five years: Norwegian Air Shuttle ASA (CEO)

Aase Kristine Mikkelsen, Board member

Aase Mikkelsen is a Board Member of Norse Atlantic. Aase Mikkelsen is the former Chief Operating Officer and a shareholder in OSM Aviation. Aase Mikkelsen has 15 years' experience of top management positions in the airline

¹⁴ Shares held through Vineta Ltd, a company controlled by Terje Bodin Larsen.

¹⁵ Shares held through Observatoriet Invest AS and Observatoriet Holding AS, both companies controlled by Bjørn Kjos.

industry in senior roles with SAS and as a consultant. Aase Mikkelsen is a board member of the CBT Centre for Trauma. Aase Mikkelsen has degrees from Skandinavisk Akademi in Stockholm, Derby University in London, and Copenhagen Business College.

Current directorships and management positions: CBT Centre for Trauma (board member) and Aamik Consulting (director and founder)

Previous directorships and management positions last five years: OSM Aviation (COO)

12.3 Management

12.3.1 Overview

The Group's management currently consists of eight individuals. The names of the members of Management and their respective positions are presented in the table below. The Company's registered business address serves as business address for all members of Management in relation to their positions with the Company.

Name	Position	Position held since	Shares	Options
Bjørn Tore Larsen ¹⁶	CEO	15 March 2021	52,850,311	-
Charles Duncan	President	1 January 2023	-	-
Thom-Arne Norheim	Chief Operations Officer & Accountable Manager Norway	1 October 2021	-	-
Ben Boiling ¹⁷	Chief Financial Officer	23 February 2022	107,000	-
Ted Hutchins	Chief Information Officer	26 July 2021	-	-
Kristin Berthelsen ¹⁸	Chief Culture Officer	1 September 2021	360,000	-
Michael Scheurich	Chief Legal Officer	15 June 2021	-	-
Frode Berg	General Legal Counsel	11 April 2023	-	-

12.3.2 Brief biographies of the members of the Management

Set out below are brief biographies of the members of the Management. The biographies include the member of Management's relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the Management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and executive management positions in subsidiaries of the Company).

Bjørn Tore Larsen, CEO

Bjørn Tore Larsen is the CEO and founder of Norse Atlantic. He is a passionate pilot and established entrepreneur, the founder and controlling shareholder of the OSM Group, which includes OSM Aviation and OSM Maritime, and controlling shareholder of the ADS Shipping Group, including as lead sponsor of ADS Maritime Holding Plc, a public shipping company.

Current directorships and management positions: Arendals Dampskibsselskab AS (chair), Bjørnåsen Invest AS (board member), and Aet Sea Shuttle II AS (board member)

¹⁶ 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 20,000 shares in the Company.

¹⁷ Shares held through Bosel AS, a company controlled by Ben Boiling.

¹⁸ Shares held through Alltid Alt AS, a company controlled by Kristin Berthelsen

Previous directorships and management positions last five years: -

Charles Duncan, President

Charles Duncan is the President of the Group. Charles has over 25 years' experience from the airline industry, having previously held executive positions at Westjet, Swoop, United Airlines and Continental Airlines. From 2017 to 2022 he worked for Westjet, including as EVP & President as well as EVP & Chief Strategy Officer at WestJet, prior to which he spent six years working for United Airlines in operational positions, including SVP Technical Operations. From 1996 to 2011 he worked for Continental Airlines in commercial and senior management positions, including being the President & COO of Continental Micronesia Encore. He has an MBA from Harvard Business School.

Current directorships and management positions: -

Previous directorships and management positions last five years: *Westjet Group (EVP), Swoop (president), United Airlines (Senior Vice President), Continental Airlines (president and COO)*

Thom-Arne Norheim, Chief Operations Officer & Accountable Manager Norway

Thom-Arne Norheim is the Chief Operations Officer of Norse Atlantic, having first served as the Company's Head of Technical. He is an expert aviation technical professional with close to 25 years of experience from SAS Tech, where he has held a wide range of technical management positions including Operative Head of Maintenance Control and Deputy Head of Production for SAS Tech Norway. Thom-Arne Norheim graduated as an aircraft mechanic in 1999 and later as an aircraft sheet metal mechanic. Thom-Arne studied Technology Production Management and Total Quality Management at the University of Bergen in Norway.

Current directorships and management positions: *OSM Aviation Technical Training AS (board member), OSM Aviation Airtech AS (board member), OSM Aviation Academy AS (board member) and OSM Aviation Academy Holding AS (board member).*

Previous directorships and management positions last five years: -

Ben Boiling, Chief Financial Officer

Ben Boiling is the Chief Financial Officer of Norse Atlantic. He has served as Senior Vice President Finance and Corporate for the Group. Ben Boiling is a Chartered Accountant and has extensive senior financial management experience from several Oslo-listed companies, most recently as Chief Financial Officer of ADS Maritime Holding Plc. Ben Boiling has also previously worked for EY and is a State Registered Auditor in Norway.

Current directorships and management positions: *Arendal International School (board member).*

Previous directorships and management positions last five years: -

Ted Hutchins, Chief Information Officer

Ted Hutchins is the Chief Information Officer of Norse Atlantic. He has close to 30 years' experience in IT and senior management positions in the aviation and travel industry, including 10 years at low cost carrier AirTan Airways as Chief Technologist, positions at US Airways, Porter Airlines Inc and Sabre, as well as CIO positions for All Aboard Florida and Red Roof Inn.

Current directorships and management positions: *Red Roof Inn (chief information officer)*

Previous directorships and management positions last five years: *All Aboard Florida (chief information officer)*

Kristin Berthelsen, Chief Culture Officer

Kristin Berthelsen is the Chief Culture Officer of Norse Atlantic. She has a long career from leadership training and coaching and is a Partner and Senior Business Advisor at Activepeople.

Current directorships and management positions: Activepeople AS (chair), Alltid Alt AS (chair), Activepeople Rekruttering og Rådgivning AS (chair), and Activepeople Norway AS (board member)

Previous directorships and management positions last five years: Activepeople AS (Partner and Senior Business Advisor)

Michael Scheurich, Chief Legal Officer

Michael Scheurich is the Chief Legal Officer of Norse Atlantic. He has close to 25 years of professional experience as a lawyer and aviation expert and has held the roles of General Counsel at Gulf Air and Cargolux and Legal Counsel at Emirates Airline. He has been teaching for the International Air Transport Association (IATA) and for Embry Riddle Aeronautical University and holds an MBA in Aviation Management in addition to the qualification as a lawyer. Michael Scheurich has resigned his position and will have his last working day with the Company on 31 May 2023.

Current directorships and management positions: -

Previous directorships and management positions last five years: Embry-Riddle Aeronautical University (assistant professor)

Frode Berg, General Legal Counsel

Frode Berg is the General Legal Counsel of Norse Atlantic. He has previously held roles as chief legal & strategy officer at Flyr AS and as legal director at Norwegian Air Shuttle over several years, and has been a partner at law firm Advokatfirmaet Simonsen Vogt Wiig. Berg holds a law degree from the University of Tromsø and a Master of Laws (L.L.M) from the University of Cambridge.

Current directorships and management positions: -

Previous directorships and management positions last five years: Flyr AS (chief legal & strategy officer), Norwegian Group Handling AS (chairman), Norwegian Air Norway AS (board member), Norwegian Air Sweden AB (board member), Norwegian Air International Ltd. (board member), Norwegian Air UK Ltd. (board member), Norwegian Air Resources Ltd. (board member), Norwegian Air Resources Ireland Ltd. (board member), Norwegian Air Resources Denmark LH ApS (board member), Norwegian Cargo AS, Red Handling Ltd. (board member), Norwegian Block Exchange AS (board member), Norwegian Reward AS (board member), Norwegian Training Academy AS (board member), NAS Invest AS (board member) and NAS Eire Invest AS (board member).

12.4 Remuneration and benefits upon termination

For the period from 1 February 2021 to 31 December 2021, the total remuneration paid by the Company to the Board Members was as follows:

Name of Board Member	Remuneration (in thousands of USD)
Terje Bodin Larsen, Chair of the Board of Directors	32
Bjørn Kjos, Board Member	16
Aase Kristine Mikkelsen, Board Member	16

For the period from 1 February 2021 to 31 December 2021, the total remuneration paid by the Company to key Management personnel employed at the year-end was as follows:

Name of management member	Remuneration (in thousands of USD)
Bjørn Tore Larsen, CEO	165
James Lightbourn, Chief Financial Officer ¹⁾	169
Thom Arne Norheim Chief Operational Officer	133
Kristin Berthelsen, Chief Culture Officer ¹⁾	129
Lasse Sandaker-Nielsen, Chief Communications Officer	13
Michael Scheurich, Chief Legal Officer	98
Ted Hutchins, Chief Information Officer	131
Andrew Hodges, Chief Commercial Officer	57

Notes:

- ¹⁾ During 2021 these key personnel were employed under third party service agreements and consultancy fees paid to them are included in the figures above.

For the period from 1 February 2021 to 31 December 2021, the compensation to members of the Management amounted to USD 894,000. The remuneration structure comprises primary salaries, bonuses, pension, and other expensed benefits.

There are no contracts for benefits upon termination of employment for any key personnel or board members.

12.5 Employees

The table below shows the development in the numbers of full-time employees and hired personnel of the Group as of 31 December 2021 and as of 31 December 2022.

	As of 31 December 2021	As of 31 December 2022
Total for the Group:	68	700
By legal entity:		
Norse Atlantic Airways AS	40	296
Norse Atlantic UK Ltd	28	177
Norse Atlantic Airways AS – French branch	-	3
Norse Atlantic Airways US LLC	-	214
Norse Atlantic USA LLC	-	10
By main category of activity:		
Airbourne (i.e. crew)	-	524
Non-airborne	68	176
By geographic location:		

Norway	40	296
UK	28	177
US	-	224
France	-	3

12.6 Incentive programs

As of the date of this Prospectus, there are no arrangements involving the employees in the Company's capital. The Company is considering implementing an employee incentive scheme, consisting of an option plan directed towards the Management and selected key employees of the Group (the "**Option Plan**"). The Option Plan will be designed to further strengthen the ownership culture in the Group to ensure alignment between executive employees and shareholders. The plan will also be an important tool to attract and retain high calibre executive management.

As of the date of this Prospectus, the Option Plan has not been resolved by the Board of Directors. If resolved and implemented, the Option Plan will be based on and limited by the authorisation granted to the Board of Directors to increase the share capital by the extraordinary General Meeting held on 24 March 2023. Please see section 13.4 "*Board authorisations to issue shares*" for further details.

12.7 Pensions and retirement benefits

The Company has currently no pension or retirement benefits for its Board Members.

The Group is obliged to have occupational pension pursuant of the Norwegian Mandatory Occupational Pension Act of 21 December 2005 no. 124 (Nw.: *Lov om obligatorisk tjenestepensjon*) and has established a plan with a defined contribution pension for employees in Norway, which complies with the requirements of the Mandatory Occupational Pension Act. However, due to the employees' age composition, obligations under the Mandatory Occupational Pension Act have not been actuated and hence no obligations have been made to this effect. The members of the Management are included in Group's ordinary defined contribution pension schemes. For more information regarding the Group's pension and retirement benefits, see note 8.1 of the Annual Financial Statements.

No amounts have been set aside or accrued by the Group to provide for pension, retirement or similar benefits, other than what is required by applicable law in the jurisdictions in which the Group has employees. The pension cost accrued in 2022 is at USD 1,498,371 for the Group.

12.8 Audit committee

The Board of Directors has established an audit committee among the Board Members, currently comprising Terje Bodin Larsen as chair, and Aase Kristine Mikkelsen as a member. The composition of the Company's audit committee is compliant with the requirements for qualifications and competence in accounting and auditing set out in the Norwegian Public Companies Act and the recommendations pursuant to the Corporate Governance Code.

The audit committee shall assist the Board of Directors in the preparation of decisions on issues regarding risk assessment, internal control, financial reporting and auditing. The duties of the audit committee are to:

- a) monitor the Company's financial reporting and provide recommendations and proposals to ensure the reliability of the reporting,
- b) monitor the effectiveness of the Company's internal control and risk management as far as the financial reporting is concerned,

- c) prepare any relevant recommendation whether to re-assess the need for internal auditing,
- d) keep itself informed about the auditing of the annual report and the consolidated annual report,
- e) review and monitor the impartiality and independence of the auditor/auditing firm, with specific focus on other services besides auditing services being provided by the auditor/auditing firm, and
- f) assist in the preparation for the annual general meeting's decision in relation to election of auditors, including through contacts with the nomination committee.

The audit committee shall report and make recommendations to the Board of Directors, but the Board of Directors will retain responsibility for implementing such recommendations.

12.9 Corporate governance

The Company has adopted policies and rules of procedure relating to the Group's corporate governance that in all material respects are in compliance with the Corporate Governance Code. As of the date of this Prospectus, the Company deviates from the following recommendations in the Corporate Governance Code:

- The Company is currently in a growth phase, and is not in a position to pay any dividends. Consequently, the Company has not established any clear dividend policy to date. Beyond the growth phase, it is the Company's ambition to pay dividends to shareholders as soon as it considers itself to be in a position to do so, and when it is considered to be in the general interest of the shareholders.
- The Company has as of this date not appointed a nomination committee. However, the Company intends to appoint a nomination committee in accordance with the recommendations set out in the Corporate Governance Code, at the annual general meeting of the Company in 2023. The nomination committee shall give recommendations for the election of Board Members and members of the nomination committee, and make recommendations for remuneration to the Board Members and members of the nomination committee.
- The Company has as of this date not established a remuneration committee. The Company is in a growth and up-scale phase and has a focus on keeping the organisational structure lean from a cost perspective. The function and responsibilities of a remuneration committee are considered by the Company to be sufficiently handled by the Board of Directors as of this date.
- The Board of Directors has not established guiding principles on how to act in the event of a takeover bid, as such situations are normally characterized by concrete and one-off situations which makes a guideline challenging to prepare. In the event a takeover were to occur, the Board of Directors will consider the relevant recommendations in the Corporate Governance Code, and whether the specific circumstances will entail that the recommendations in the Corporate Governance Code can be complied with or not.

Neither the Board of Directors nor the general meeting has adopted any resolutions which are deemed to have a material impact on the Group's corporate governance regime.

12.10 Conflicts of interests etc.

The Company's General Legal Counsel, Frode Berg served as a member of the board of directors of Norwegian Air Resources Denmark LH ApS when the Company filed for bankruptcy in April 2020. Berg also served as a member of the board of directors of several subsidiaries in the Norwegian Air Group prior to them filing for bankruptcy. Berg resigned as a board member of all the subsidiaries in August 2020, and the subsidiaries filed for bankruptcy between December 2020 and August 2021. Berg also held the management position of chief legal and strategy officer at Flyr AS when the company filed for bankruptcy in February 2023.

Other than the above, during the last five years preceding the date of this Prospectus, none of the Board Members or the members of the Management have, or had, as applicable:

- a) any convictions in relation to fraudulent offences;
- b) been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his/her capacity as a founder, director or executive manager of a company or partner of a limited partnership; or
- c) received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

As set out in Sections 12.2.2 and 12.3.1 above, all members of the Board of Directors and of the Management have financial interests in the Company through direct or indirect shareholdings, with the exception of Board Member Aase Kristine Mikkelsen, and members of Management Charles Duncan, Thom-Arne Norheim, Ted Hutchins and Michael Scheurich. The Company's CEO and founder, Bjørn Tore Larsen, is the chairman of the board of directors and controlling shareholder of B T Larsen & Co Ltd, which is the largest shareholder of the Company.

All board Members are independent of shareholders holding 10% or more of the Shares and the Group's material business contacts. Except for chairman of the Board of Directors Terje Bodin Larsen, all Board Members are independent of the Management.

Furthermore, several of the members of the Board and Management are board members or managers of other companies and hold shares of such other companies. In the event that any such company enters into business relationships with the Company, the members of the Board of Directors and Management may have a conflict of interest. The Company will have procedures in place in order to handle any such potential conflict of interest.

There are currently no other actual or potential conflicts of interest between the Company and the private interests or other duties of any of the Board Members or any of the members of the Management, and there are no family relationships between such persons.

13 CORPORATE INFORMATION

13.1 Corporate information

The Company's registered name is Norse Atlantic ASA, while its commercial name is "Norse Atlantic Airways". The Company is a public limited liability company (Nw.: *allmennaksjeselskap*) validly incorporated on 1 February 2021 and existing under the laws of Norway in accordance with the Norwegian Public Companies Act. The Company is registered with the Norwegian Register of Business Enterprises with registration number 926 645 986. The Company's registered business address is Fløyveien 14, 4838 Arendal, Norway, which is also its principal place of business. The telephone number to the Company's principal offices is +47 406 407 787 and the website is <https://flynorse.com/>. The information included on the website does not form part of the Prospectus. The Company's LEI code is 2549008P77XR4V5Z8N86.

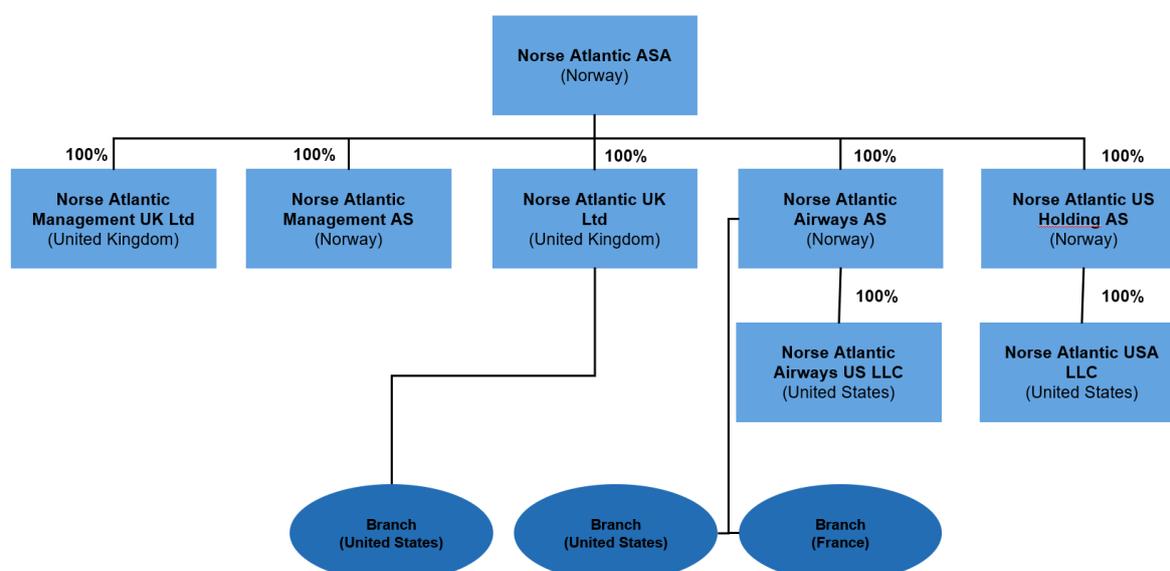
The Shares are registered in book-entry form with the VPS under ISIN NO 0010946445. The Company's register of shareholders with the VPS is administrated by the VPS Registrar, Nordea Bank Abp, filial i Norge.

13.2 Legal structure

The Company is the parent company of the Group. The Company is a holding company, and the Group's operations are carried out through its subsidiaries. The following table sets out information about the Company's directly and indirectly owned subsidiaries:

Company name	Ownership	Registration number	Place of incorporation	Date of incorporation	Function
Norse Atlantic Airways AS	100%	926493647	Norway	1 Jan 2021	Norway AOC / operating company
Norse Atlantic US Holding AS	100%	927378876	Norway	1 Jun 2021	Holding company
Norse Atlantic USA LLC	100%	87-2476227	USA	30 Aug 2021	Administrative company
Norse Atlantic Airways US LLC	100%	88-0825570	USA	8 Feb 2022	Crewing personnel
Norse Atlantic UK Ltd	100%	13384302	UK	10 May 2021	UK AOC / operating company
Norse Atlantic Management AS	100%	928786692	Norway	1 Jan 2022	Dormant
Norse Atlantic Management UK Ltd	100%	13978423	UK	15 Mar 2022	Dormant

A structure chart, including the Company's directly and indirectly owned subsidiaries (all of which are wholly-owned), is set out below:



13.3 Share capital and share capital history

As of the date of this Prospectus, the registered share capital of the Company is NOK 257,605,392.50, divided into 206,084,314 Shares, each with a nominal value of NOK 1.25. All the Shares have been created under the Norwegian Public Companies Act and are validly issued and fully paid.

On 24 March 2023, an extraordinary general meeting of the Company resolved to carry out a share consolidation of the Company's Shares where 4 shares are merged to 1 share. The share consolidation implies a change of the Shares' nominal value from NOK 1.25 to NOK 5.00 and that the total amount of shares is reduced accordingly. As of the date of this Prospectus, the share consolidation has not been implemented and is expected to be resolved with effect from immediately after the share capital increase pertaining to the Subsequent Offering has been registered with the Norwegian Register of Business Enterprises, on or around 26 April 2022.

The Company has granted an authorisation to the Board to increase the Company's share capital, see Section 13.4 for further details.

The Company has one class of shares, and there are no differences in the voting rights among the Shares. The Shares are freely transferable, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or existing shareholders' rights of first refusal.

The table below shows the development in the Company's share capital for the period covered by the historical financial information, *i.e.* from the Company's incorporation on 1 February 2021 and up to the date of the Prospectus:

Date registered	Type of change	Change in share capital (NOK)	Share capital (NOK)	Nominal value (NOK)	New shares issued	Total number of shares
23 February 2021	Incorporation	30,000,000	30,000,000	10	3,000,000	3,000,000
19 March 2021	Share capital decrease and split	(21,000,000)	9,000,000	3	-	3,000,000
19 March 2021	Share capital increase	21,000,000	30,000,000	3	7,000,000	10,000,000
9 April 2021	Share capital increase	191,250,000	221,250,000	3	63,750,000	73,750,000

Date registered	Type of change	Change in share capital (NOK)	Share capital (NOK)	Nominal value (NOK)	New shares issued	Total number of shares
19 May 2021	Share capital increase	11,802,942	233,052,942	3	3,934,314	77,684,314
12 December 2022	Share capital decrease	(135,947,549.50)	97,105,395.50	1.25	-	77,684,314
12 December 2022	Share capital increase	150,000,000	247,105,392.50	1.25	120,000,000	197,684,314
12 December 2022	Share capital increase	10,500,000	257,605,392.50	1.25	8,400,000	206,084,314

13.4 Board authorisations to issue shares

At the extraordinary General Meeting held on 9 December 2022, the Board of Directors was granted an authorisation to increase the share capital with up to NOK 75,000,000, by issuance of up to 60,000,000 new shares, to be used *inter alia* to carry out the planned Subsequent Offering. The authorisation is valid until the earlier of (i) the annual General Meeting of the Company in 2023, and (ii) 30 June 2023.

Further, at the extraordinary General Meeting held on 24 March 2023, the Board of Directors was an authorisation to increase the share capital with up to NOK 20,608,450, to be used for the purpose of issuing shares in relation to the planned Option Plan. The authorisation is valid until the earlier of (i) the annual General Meeting of the Company in 2024, and (ii) 30 June 2024.

13.5 Authorisation to acquire treasury shares

As of the date of this Prospectus, there is no authorisation to acquire treasury shares in the Company.

13.6 Other financial instruments

Neither the Company nor any of its subsidiaries have issued any options, warrants, convertible loans or other instruments that would entitle a holder to subscribe for shares in the Company or its subsidiaries. Furthermore, neither the Company nor any of its subsidiaries have issued subordinated debt or transferable securities other than the Shares. The shares in the Company's subsidiaries will be held, directly or indirectly, by the Company.

13.7 The Listing

Since 12 April 2021, the Shares have been traded on Euronext Growth. On 10 March 2023, the Company applied for the Shares to be admitted to trading on Euronext Expand. The Company expects that the Oslo Stock Exchange will approve the Company's application for Listing on or around 26 April 2023. Upon Listing, the Shares will be deregistered from Euronext Growth and will be admitted to trading through the facilities of Euronext Expand.

The Company expects that the Shares will commence trading on Euronext Expand on or around 28 April 2023 under the ticker code "NORSE". The Company has not applied for admission to trading of the Shares on any other stock exchange, regulated market or multilateral trading facility (MTF).

13.8 Shareholder rights

The Company has one class of Shares in issue and, in accordance with the Norwegian Public Companies Act, all Shares in that class provide equal rights in the Company, including the rights to any dividends. Each of the Shares carries one vote, as such the major shareholder in the Company does not different voting rights than the other

Shares in the Company. The rights attached to the Shares are further described in Sections 13.13 "*The Articles of Association*" and 13.12 "*Certain aspects of Norwegian corporate law*".

13.9 Restrictions on transfer of Shares

Other than the lock-up undertakings set out below, there are no restrictions on transfers of the Shares.

- In connection with the Private Placement completed on 25 November 2022, the Company entered into a customary lock-up arrangement with the Managers. The undertaking expires on 25 May 2023. By entering into the lock-up undertaking, the Company agreed that it will not, without the prior written consent of each of the Managers, during the lock-up period issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or other equity interest in the capital of the Company or any securities convertible into or exercisable for such Shares or other equity interests, or (2) enter into any swap or other agreement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares or other equity interests, whether any such transaction described in (1) or (2) above is to be settled by delivery of the Shares or other securities or interests, in cash or otherwise, or (3) market or otherwise seeking investor interest for its Shares, or conducting any bookbuilding exercises for any sale of its Shares or (4) publicly announce or indicate an intention to effect any transaction specified in (1) or (2) above. The foregoing shall not apply to the sale and issuance of Shares in connection with the Subsequent Offering.

Consent pursuant to the lock-up agreements are given at the sole discretion of the Managers, and any release from lock-up will not be subject to announcement by the Managers.

- In connection with the Private Placement completed on 25 November 2022, the Board Members, members of Management, as well as shareholder BT Larsen & Co Ltd, entered into customary lock-up arrangements with the Managers. The undertakings expire on 25 May 2023. By entering into the lock-up undertakings, the abovementioned persons and entity agreed not to, without the prior written consent of the Managers, directly or indirectly (1) offer, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, pledge or otherwise transfer or dispose of or agree to dispose of, directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, whether any such transaction described in (1) or (2) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, (3) market or otherwise seeking investor interest for its Shares, or conducting any bookbuilding exercises for any sale of its Shares or (4) agree or publicly announce an intention to effect any transaction specified in (1), (2) or (3) above. The foregoing shall not apply to (A) any transfer of Shares to any entity directly or indirectly controlled by the locked-up person/entity who (i) assume the same lock-up obligations as undertaken by the locked-up person/entity and (ii) remain wholly owned or under the direct or indirect control by the locked-up person/entity for the remaining part of the lock-up period, (B) the acceptance (including pre-acceptance) of a tender or takeover offer to acquire all Shares in the Company, or (C) voting in favour of and exchanging shares in a statutory merger in which the Company is a merging party.

The lock-up undertakings will apply to all Shares and rights to Shares currently held on the date which the lock-up undertaking is entered into, or which during the lock-up period described above are acquired by the Board Members, members of Management and BT Larsen & Co Ltd and entities directly or indirectly controlled by each of them.

Consent pursuant to the lock-up agreements are given at the sole discretion of the Managers, and any release from lock-up will not be subject to announcement by the Managers.

13.10 Change in control

As of the date of this Prospectus, to the knowledge of the Company, there are no arrangements or agreements, which may at a subsequent date result in a change in control in the Company.

13.11 Ownership structure

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which will be notifiable pursuant to the Norwegian Securities Trading Act after completion of the Listing. See Section 14.8 "*Disclosure obligations*" for a description of the disclosure obligations under the Norwegian Securities Trading Act.

As of the date of this Prospectus, the following shareholders hold more than 5% of the Company's share capital:

#	Shareholder	No. of Shares	Percentage
1	B T LARSEN & CO LIMITED	52,850,311	25.6%

The Company is not aware of any other person or entity who directly or indirectly has an interest in the Company's share capital or voting rights that is notifiable under section 4-2 of the Norwegian Securities Trading Act.

Except for the shareholders included in the table above, the Company is not aware of any persons or entities who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company.

The Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company. The Shares have not been subject to any public takeover bids since the Company's incorporation in February 2021.

No particular measures have been put in place to ensure that control is not abused by large shareholders. Minority shareholders are protected against abuse by relevant regulations in *inter alia* the Norwegian Public Companies Act and the Norwegian Securities Trading Act. See Section 13.13 "*Certain aspects of Norwegian corporate law*" and Section 14.11 "*Compulsory acquisition*".

The Company does not hold any treasury shares, nor do any of the Company's subsidiaries hold any Shares.

13.12 The Articles of Association

The Company's Articles of Association are set out in [Appendix A](#) to this Prospectus. Below is a summary of certain of the provisions of the Articles of Association.

Company name

Pursuant to article 1 of the Articles of Association, the Company's name is Norse Atlantic ASA. The Company is a public limited liability company.

Registered office

Pursuant to article 2 of the Articles of Association, the Company's registered office is in the municipality of Arendal, Norway.

Business

Pursuant to article 3 of the Articles of Association, the Company's business 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.

Share capital

Pursuant to article 4 of the Articles of Association, the Company's share capital is NOK 257,605,392.50 divided on 206,084,314 Shares, each with a nominal value of NOK 1.25. The Shares shall be registered in a central securities depository.

EEA ownership provisions

Pursuant to article 5 of the Articles of Association, if there are circumstances that, in the Board of Directors' opinion, may cause the Company's or any of its subsidiaries' authorisations to carry out air traffic operations not to be granted, to be annulled or revoked (permanently or temporary) on the grounds of violation of provisions in bilateral civil aviation agreements or law, regulations or other official legal requirements that require the Company or any of its subsidiaries to be owned or controlled by shareholders who are EEA nationals (such provisions hereinafter referred to as "**EEA Ownership Provisions**"), the Board of Directors shall make any of the following decisions:

- (i) The Board of Directors may request that shareholders that are not domiciled within the EEA either sell Shares or ensure that such Shares are owned and controlled by persons and/or companies that are domiciled within the EEA.
- (ii) The Board of Directors may compel shareholders that: (a) are not domiciled within the EEA; (b) have acquired Shares in the Company; and (c) by such acquisition cause the Company or any of its subsidiaries to violate EEA Ownership Provisions, to sell a portion of Shares sufficient to ensure that the Company or subsidiaries no longer violates EEA Ownership Provisions within a deadline determined by the Board of Directors. The deadline for selling Shares shall preferably not be shorter than 14 days from when an instruction to sell is given to the shareholder by the Board of Directors.
- (iii) Subject to the Company being entitled to acquire its own Shares in accordance with the Norwegian Public Limited Liability Companies Act, the Board of Directors may determine that the Company shall acquire Shares from shareholders that: (a) are not domiciled within the EEA; (b) have acquired Shares in the Company; and (c) by such acquisition cause the Company or any of its subsidiaries to violate EEA Ownership Provisions, and compel shareholders to carry out such sale to the Company. The price per share to be applied for the Company's acquisition of its own Shares from a shareholder shall equal the closing price for the Company's Shares registered at Euronext Growth (Oslo) (and from the Listing, the Oslo Stock Exchange) the day before the Company's acquisition takes place, less 25%.

A shareholder's sale of Shares pursuant to item (ii) and the Company's acquisition of its own Shares pursuant to item (iii) above shall preferably be carried out in reverse chronological order so that Shares last acquired by a shareholder shall be sold by such shareholder first. When determining the time of a shareholders' acquisition, the date of registration with the Norwegian Central Securities Depository (VPS) shall be applied.

Sale and acquisition of Shares pursuant to item (ii) and (iii) above, respectively, shall take place to such extent it, in the Board of Director's opinion, is necessary to avoid circumstances that may lead to the Company or any of its subsidiaries being in violation of EEA Ownership Provisions.

The assessment of whether a shareholder is domiciled within the EEA shall be based on the at all times prevailing guidelines applied by the relevant authority.

EEA ownership clause – Forced sale of shares

Pursuant to article 6 of the Articles of Association, if there are circumstances that, in the Board of Directors' opinion, may cause the Company's or any of its subsidiaries' authorisations to carry out air traffic operations not to be granted, to be annulled or revoked (permanently or temporarily) on the grounds of violation of EEA Ownership Provisions (as defined in article 5 of the Articles of Association), the Board of Directors may in addition to the actions set out in article 5, resolve that the Shares that are owned by shareholders that: (a) are not domiciled within the EEA; (b) have acquired Shares in the Company; and (c) by such acquisition cause the Company or any of its subsidiaries to violate EEA Ownership Provisions, shall be redeemed by way of a share capital decrease in the Company pursuant to section 12-7 of the Norwegian Public Limited Liability Companies Act.

The Company's redemption of Shares shall preferably be carried out in reverse chronological order so that shares last acquired by a shareholder shall be redeemed by the Company first. When determining the time of a shareholders' acquisition, the date of registration with the Norwegian Central Securities Depository (VPS) shall be applied.

The price per share to be applied for the Company's redemption of Shares shall equal the closing price for the Company's Shares registered at Euronext Growth (Oslo) (and from the Listing, the Oslo Stock Exchange) the day before the Company's redemption takes place, less 25%.

The Board of Directors and signatory rights

Pursuant to article 7 of the Articles of Association, the Company's Board of Directors shall consist of 3-7 members. The chairman alone, the managing director alone or two Board Members acting jointly are authorized to sign on behalf of the Company.

General Meeting

Pursuant to article 8 of the Articles of Association, the following matters shall be discussed and resolved at the Company's annual General Meeting:

1. Approval of the annual accounts and annual report, including distribution of dividends.
2. Other matters that according to law or the Articles of Association are to be decided upon by the General Meeting.

Documents relating to matters to be dealt with by the Company's General Meeting, including documents which pursuant to law shall be included in or attached to the notice of the General Meeting, do not need to be sent to the shareholders if such documents have been made available on the Company's website. A shareholder may nevertheless request that documents which relate to matters to be dealt with at the General Meeting are sent to him/her.

Shareholders may cast a written vote in advance in matters to be discussed at the General Meetings of the Company. Such votes may also be cast through electronic communication. The access to cast votes in advance is subject to the presence of a safe method of authenticating the sender. The Board of Directors decides whether such a method exists before each individual General Meeting. The board can set further guidelines for written advance votes. The notice of General Meeting must state whether advance votes are permitted and which guidelines, if any, that have been issued for such voting.

The Board of Directors may decide that shareholders who wish to participate at the General Meeting provides prior notice to the Company within a set deadline, which can be no earlier than five days prior to the General Meeting.

Change of control

There are no provisions in the Articles of Association that would have an effect of delaying, deferring or preventing a change in control of the Company.

Nomination committee

Pursuant to article 9 of the Articles of Association, the Company shall have a nomination committee. The nomination committee shall consist of between two and four members, as resolved by the general meeting, where the majority of the members shall be independent of the Board of Directors and the management. The members of the nomination committee, including the chairperson, will be elected by the general meeting for a term of two years unless the general meeting decides otherwise in connection with the election.

The nomination committee shall give recommendations to the general meeting for the election of shareholder elected members to the board of directors and the chairperson of the board, and to members of the nomination committee, in addition to recommendations for remuneration to the members of the board of directors and the members of the nomination committee. The general meeting may adopt instructions for the nomination committee.

13.13 Certain aspects of Norwegian corporate law

13.13.1 General meetings

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that a written notice of annual general meetings setting forth the date and time of, the venue for and the agenda of the meeting, is sent to all shareholders with a known address no later than 21 days before the date of the annual general meeting of a Norwegian public limited liability company listed on a stock exchange or a regulated market shall be held, unless the articles of association stipulate a longer deadline. The latter is currently not the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy appointed at its own discretion. Pursuant to the Norwegian Securities Trading Act, a proxy voting form shall be appended to the notice of the general meeting for a Norwegian public limited liability company listed on a stock exchange or a regulated market unless such form has been made available to the shareholders on the company's website and the notice calling for the meeting includes all information the shareholders need to access the proxy voting forms, including the relevant Internet address.

Under Norwegian law, a shareholder may only exercise rights that pertain to shareholders, including participation in general meetings of shareholders, when it has been registered as a shareholder in the company's register of shareholders maintained with the VPS. Unless the articles of association explicitly states that the right to attend and vote at a general meeting may only be exercised by a shareholder if it has been entered into the company's register of shareholders five working days prior to the general meeting, all shareholders who are registered as such on the date of the general meeting have the right to attend and exercise its voting rights at that meeting. This is the case for the Company *i.e.* the record date for shareholders to participate at a General Meeting is five working days prior to the date of the relevant general meeting.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the board of directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 5% of the share capital demands this in writing. The requirements for notice of and admission to the annual general meeting also apply to extraordinary general meetings. However, the annual general meeting of a Norwegian public limited liability company may with a majority of at least two-thirds of the aggregate number of votes cast as well as at least two-

thirds of the share capital represented at a general meeting resolve that extraordinary general meetings may be convened with a 14 days' notice period until the next annual general meeting provided that the company has procedures in place allowing shareholders to vote electronically. This has currently not been resolved by the Company's General Meeting.

13.13.2 Voting rights – amendments to the articles of association

Each Share carries one vote. In general, decisions that shareholders of a Norwegian public limited liability company are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast. In the case of elections or appointments (e.g. to the board of directors), the person(s) who obtain(s) the most votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe for shares in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the articles of association, to authorize an increase or reduction of the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the general meeting in question. Moreover, Norwegian law requires that certain decisions, *i.e.* decisions that have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the articles of association.

Only a shareholder registered as such with the VPS is entitled to vote for shares of a Norwegian public limited liability company listed on a stock exchange or regulated market. Beneficial owners of the shares who are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such shares as a nominee. A nominee may not meet or vote for shares registered on a nominee account ("**NOM-account**"). A shareholder holding shares through a NOM-account must, in order to be eligible to register, meet and vote for such Shares at the general meeting, transfer the shares from such NOM-account to an account in the shareholder's name. Such registration must appear from a transcript from the VPS at the latest five working days prior to the date of the relevant general meeting.

There are no quorum requirements that apply to the general meeting of a Norwegian public limited liability company.

13.13.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus share issues, the Company's articles of association must be amended, and must thus receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the general meeting in question. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. The preferential rights may be deviated from by a resolution in the general meeting passed with the same vote required to amend the articles of association. A deviation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the articles of association, authorize the board of directors to issue new Shares, and to deviate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered par share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by an issuance of new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's U.S. shareholders may not be able to exercise their preferential rights. If a U.S. shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company. Shareholders in other jurisdictions outside Norway may be similarly affected if the rights and the new shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company has not filed a registration statement under the U.S. Securities Act in connection with the Subsequent Offering and the Listing or sought approvals under the laws of any other jurisdiction outside Norway in respect of any pre-emptive rights or the Shares, does not intend to do so and doing so in the future may be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new shares, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company will be reduced.

13.13.4 Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including, but not limited to, those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the board of directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Board of Directors convenes an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified within seven days before the deadline for convening the general meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the relevant general meeting has not expired.

13.13.5 Rights of redemption and repurchase of shares

The share capital of the Company may be decreased by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting of the Company's shareholders cannot be granted for a period exceeding two years. The Company may not subscribe for its own Shares.

13.13.6 Shareholder vote on certain reorganizations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the board of directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the articles of association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

13.13.7 Liability of board members

Board members owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the board members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Board members may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting passing upon the matter. If a resolution to discharge the Board Members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Board Members from liability or not to pursue claims against the Board Members is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

13.13.8 Civil proceedings against the Company in jurisdictions other than Norway

Furthermore, investors shall note that they may be unable to recover losses in civil proceedings in jurisdictions other than Norway. The Company is a public limited liability company organized under the laws of Norway. The Board Members and the members of the Management reside in Norway and the U.S. As a result, it may not be possible for investors to effect service of process in other jurisdictions upon such persons or the Company, to enforce against such persons or the Company judgments obtained in courts outside of Norway and/or the U.S., or to enforce judgments on such persons or the Company in other jurisdictions.

13.13.9 Indemnification of board members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for the Board Members against certain liabilities that they may incur in their capacity as such.

13.13.10 Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at that meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

14 SECURITIES TRADING IN NORWAY

Set out below is a summary of certain aspects of securities trading in Norway and the possible implications of owning tradable Shares on Euronext Expand. The summary is based on the rules and regulations in force in Norway as of the date of this Prospectus, which may be subject to changes occurring after such date. This summary does not purport to be a comprehensive description of securities trading in Norway. Investors who wish to clarify aspects of securities trading in Norway should consult with and rely upon their own advisors.

14.1 Introduction

The Oslo Stock Exchange was established in 1819 and offers the only regulated markets for securities trading in Norway. Oslo Børs ASA is 100% owned by Euronext Nordics Holding AS, a holding company established by Euronext N.V following its acquisition of Oslo Børs VPS Holding ASA in June 2019. Euronext owns seven regulated markets across Europe, including Amsterdam, Brussels, Dublin, Lisbon, London, Oslo and Paris.

The Oslo Stock Exchange offers the only regulated markets for securities trading in Norway through five different marketplaces; Oslo Børs, Euronext Expand, Euronext Growth Oslo, Nordic ABM and Oslo Connect.

14.2 Market value of the Shares

The market value of shares listed on the Euronext Expand, including the Shares, may fluctuate significantly, which could cause investors to lose a significant part of their investment. The market value could fluctuate significantly in response to a number of factors beyond the respective issuer's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, announcements by the respective issuer or its competitors of new product and service offerings, significant contracts, acquisitions or strategic relationships, publicity about the issuer, its products and services or its competitors, lawsuits against the issuer, unforeseen liabilities, changes in management, changes to the regulatory environment in which the issuer operates or general market conditions.

Furthermore, issuances of shares or other securities may dilute the holdings of shareholders and could materially affect the price of the Shares. Any issuer, including the Company, may in the future decide to offer additional shares or other securities to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes, including for refinancing purposes. There are no assurances that any of the issuers on Euronext Expand will not decide to conduct further offerings of securities in the future. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. If a listed company raises additional funds by an issuance of additional equity securities, the holdings and voting interests of existing shareholders could be diluted, and thereby affect share price.

14.3 Trading and settlement

Pursuant to the Listing, trading of equities on Euronext Expand will be carried out in the electronic Euronext in-house developed trading system, Optiq®.

Official trading on Euronext Expand takes place between 09:00 (CET/CEST) and 16:20 (CET/CEST) each trading day, with pre-trade period between 07:15 (CET/CEST) and 09:00 (CET/CEST), a closing auction from 16:20 (CET/CEST) to 16:25 (CET/CEST) and a trading at last period from 16:25 CET/CEST to 16:30 CET/CEST. Reporting of Off-Book On Exchange trades can be done from 07:15 (CET/CEST) to 18.00 (CET/CEST).

The settlement period for trading on Euronext Expand is two trading days (T+2). This means that securities will be settled on the investor's account with the VPS two trading days after the transaction, and that the seller will receive payment after two trading days.

The Oslo Stock Exchange offers an interoperability model for clearing and counterparty services for equity trading through LCH Limited, EuroCCP and Six X-Clear.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

14.4 Information, control and surveillance

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (Inside information means precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

14.5 The VPS (Euronext Securities Oslo) and transfer of Shares

The Company's principal share register is operated through the VPS. The VPS is the Norwegian paperless centralized securities register. It is a computerized book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS and Oslo Børs ASA are both wholly-owned by Euronext Nordics Holding AS.

All transactions relating to securities registered with the VPS are made through computerized book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being, the central bank of Norway), authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the relevant company's articles of association or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an ongoing basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

14.6 Shareholder register

Under Norwegian law, shares are registered with the VPS in the name of the beneficial owner of the shares. Beneficial owners of the Shares that hold their shares through a nominee (such as banks, brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to the any general meeting. As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions, but cannot vote in general meetings on behalf of the beneficial owners. There is no assurance that beneficial owners of the Shares will receive the notice of any general meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. See Section 13.13.2 "*Voting rights – amendments to the articles of association*" for more information on nominee accounts.

14.7 Foreign investment in shares listed in Norway

Foreign investors may trade in shares listed on Euronext Expand through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

Foreign investors should note that the rights of holders of shares listed on Euronext Expand and issued by Norwegian incorporated companies are governed by Norwegian law and by the respective company's articles of association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by a company in respect of wrongful acts committed against such company will be prioritized over actions brought by shareholders claiming compensation in respect of such acts. In addition, it may be difficult to prevail in a claim against the company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions. See Section 13.13.2 "*Voting rights – amendments to the articles of association*" for more information on certain aspects of Norwegian law.

14.8 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued share capital, voting rights to shares, and/or rights to issued shares of a company listed on a regulated market with Norway as its home state (which will

be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately, subject to certain exceptions. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital, or the granting of a proxy to vote for shares at the Company's general meetings without voting instructions. For the purpose of disclosure of shareholdings, share lending and re-delivery of shares are considered disposal and acquisition of shares pursuant to the relevant provisions in the Norwegian Securities Trading Act.

14.9 Insider trading

According to Norwegian law, subscription for, purchase, sale, exchange or other acquisitions or disposals of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Article 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and as implemented in Norway in accordance with Section 3-1 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value or price either depends on or has an effect on the price or value of such financial instruments or incitement to such dispositions.

14.10 Mandatory offer requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third (or more than 50%) of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares of that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares of the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six months' period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a

majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40% or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares of the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares of the company.

14.11 Compulsory acquisition

Pursuant to the Norwegian Public Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares of a Norwegian public limited liability company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as more than 90% of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorized to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Norwegian Public Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price or any other objection to the price being offered, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline.

14.12 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with the VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

15 NORWEGIAN TAXATION

Set out below is a summary of certain Norwegian tax matters related to an investment in the Company. The summary is based on the laws in force in Norway as of the date of this Prospectus, which may be subject to any changes. Such changes could possibly be made on a retrospective basis.

The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisors. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be resident in Norway for tax purposes should specifically consult with and rely upon their own tax advisors with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway.

Please note that for the purpose of the summary below, a reference to a Norwegian or foreign shareholder refers to the tax residency rather than the nationality of the shareholder.

The tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdictions in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

15.1 Taxation of Norwegian shareholders

15.1.1 Norwegian Individual Shareholders

Individuals resident in Norway for tax purposes are effectively taxed at 37.84% on dividends and gains from disposing of shares, in each case to the extent the dividend/gain exceeds a basic tax free allowance. The effective tax rate is based on a calculation where the dividend/gain is grossed up with a factor of 1.72 and taxed at the ordinary tax rate of 22%. Any realized loss is increased by the same factor of 1.72 (to give loss a corresponding tax reducing effect).

The tax free allowance is computed for each individual share and corresponds to the cost price of that share multiplied by an annual risk-free interest rate based on the effective rate of interest on treasury bills (Nw.: "statskasseveksler") with three months maturity plus 0.5 percentage points, after tax. Any part of the annual allowance exceeding the dividend distributed on the share, known as unused allowance, may be set off against future dividends on (or gains upon disposal of) the same share. Unused allowance is added to the basis for computing future allowance for the same share. The unused allowance is calculated for each calendar year, and is allocated solely to the individual holding shares at the expiration of the relevant calendar year.

Taxable gain or loss from disposing shares (before gross up) equals the sales price of the relevant share minus transaction costs and minus the tax basis on that share. The tax basis is normally equal to the acquisition cost of the share. Unused allowance on a share may be deducted from a taxable gain on the same share, but may not lead to or increase a deductible loss. Unused allowance on one share may not be set off against gain on other shares. Shares acquired first will be deemed first sold when calculating taxable gain or loss.

Norwegian individual shareholders may hold listed shares of companies resident in the EEA on a share savings account (Nw.: "aksjesparekonto"). Dividend and gain on shares owned through the share savings account is not immediately taxable, and losses are not deductible. Instead, later withdrawals from the account (other than tax-free allowances) that exceeds the deposits made to the account are taxable at the effective rate of 37.84%. The tax-free allowance is calculated based on the lowest paid in deposit in the share savings account during the income year, plus any unused allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income, and cannot increase or produce a deductible loss. Any excess allowance may be carried forward and set off against future withdrawals from the account.

Special rules apply for Norwegian individual shareholders who cease to be tax-resident in Norway.

15.1.2 Norwegian Corporate Shareholders

Limited companies (and certain similar entities) owning shares are effectively taxed at 0.66% on dividends from shares of Norwegian companies. 3% of dividends are taxed at the ordinary tax rate of 22%, and the rate is increased to 25%, and thus 0.75% effectively, for Norwegian corporate shareholders that are considered financial institutions. Norwegian corporate shareholders are tax exempt on gain from disposing of such shares. Correspondingly, losses are not deductible. Costs incurred in connection with the purchase and realization of such shares are not tax deductible.

Special rules apply for Norwegian corporate shareholders who cease to be tax resident in Norway.

15.2 Foreign Shareholders

All shareholders not resident in Norway for tax purposes are generally (i) exempt from Norwegian tax on gain from disposing of shares, but (ii) subject to Norwegian withholding tax at a rate of 25% on dividends from Norwegian companies (provided the shares are not held by such shareholders through a taxable business they carry out or participate in in Norway). If, however, the foreign shareholder holds the shares as part of a business carried out by that shareholder in Norway, both gain and dividends would be taxable to the same extent as for a corresponding Norwegian Individual Shareholder or Norwegian Corporate Shareholder (see above).

The withholding tax on dividends is subject to certain important exceptions and modifications:

- Corporate shareholders resident in the EEA are exempt from withholding tax to the extent they are limited companies (and certain similar companies), which can demonstrate that they are beneficial owners, and that they are genuinely established and carry on genuine economic business activities in the EEA.
- Both corporate and individual shareholders are often entitled to a reduced withholding rate in tax treaties between Norway and their countries of tax residency, provided they can document entitlement (see below).
- Individual shareholders residing for tax purposes in the EEA may apply to the Norwegian tax authorities for a refund if the tax withheld exceeds the tax that would have been levied on Norwegian individual shareholders. However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation of the dividends than the withholding tax rate of 25% less the tax-free allowance.

Individual shareholders residing for tax purposes in the EEA may further hold listed shares of EEA resident companies on a share savings account. Dividends received on, and gains derived upon the realization of, shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawals from the share saving account exceeding the paid in deposit on the account, is subject to the withholding tax rate of 25% (unless reduced pursuant to an applicable tax treaty). Capital gains realized upon realization of shares held through the share saving account will be regarded as paid in deposits, which may be withdrawn without taxation. Losses will correspondingly be deducted from the paid in deposit, reducing the amount which can be withdrawn without withholding tax.

15.3 Procedure for claiming a reduced withholding tax rate on dividends

The distributing company is responsible for withholding the taxes on distributions to foreign shareholders (except if shares are held on a share savings account, in which case the responsibility lies with the account operator).

A foreign shareholder that is entitled to an exemption from or reduction of withholding tax on dividends, may request that the exemption or reduction is applied at source. Such a request must be made to the foreign shareholder's nominee or account operator with the VPS, supported by a certificate of residence issued by the tax authorities in

the shareholder's country of residence within the last three years, confirming that the shareholder is resident in that country. Foreign corporate shareholders must further present either (i) an previously approved withholding tax refund application or (ii) an approval from the Norwegian tax authorities confirming its entitlement to a reduced rate. If the foreign corporate shareholder is resident in the EEA and claiming full withholding exemption, it must further declare that the circumstances entitling it to the exemption have not changed since the documentation was issued.

The statutory 25% withholding tax rate will be levied on dividends paid to foreign shareholders unless they have successfully requested to have a reduced rate or exemption applied at source. The shareholder will in such case have to apply to the Central Office – Foreign Tax Affairs for a refund of the excess amount of tax withheld.

Foreign shareholders should consult their own advisors regarding the availability of treaty benefits in respect of dividend payments, including (if relevant) the possibility of effectively claiming a refund of withholding tax.

15.4 Wealth tax

Norwegian corporate shareholders are exempt from wealth tax, while Norwegian individual shareholders are subject to net wealth tax on the part of net wealth exceeding NOK 1.7 million (NOK 3.4 million jointly for spouses). The ordinary rate is 1% up to NOK 20 million and 1.1% on exceeding net wealth. Shares listed on the Oslo Stock Exchange are included in net wealth at a value equal to 80% of their listed share price on 1 January in the tax assessment year (*i.e.* in the year after the income year). The value of debt allocated to the listed shares for Norwegian wealth tax purposes is reduced correspondingly (*i.e.* to 80%).

Foreign shareholders are not subject to Norwegian net wealth tax on shares, unless the shareholder is an individual holding the shares as part of a business carried out by that individual in Norway.

15.5 VAT and transfer taxes

No transfer, VAT, stamp or similar duties are imposed in Norway on transfer or issuance of shares.

15.6 Inheritance and gift taxes

No inheritance or gift taxes are imposed in Norway on transfer or issuance of shares.

16 THE SUBSEQUENT OFFERING

16.1 Overview of the Subsequent Offering

The Subsequent Offering consist of an offer of up to 60,000,000 Offer Shares, each with a nominal value of NOK 1.25, at an Offer Price of NOK 2.50 per Offer Share, directed towards Eligible Shareholders, raising gross proceeds of up to NOK 150 million.

Eligible Shareholders will receive non-tradeable Subscription Rights based on their shareholding as of the Record Date, which will, subject to applicable securities laws, give a preferential right to subscribe for, and be allocated, Offer Shares in the Subsequent Offering. Subscriptions for Offer Shares are made on the terms and conditions set out in this Section 16 "*The Subsequent Offering*" and the subscription form set out in [Appendix B](#) to this Prospectus (the "**Subscription Form**").

No action will be taken to permit a public offering of the Offer Shares or the Subscription Rights in any jurisdiction outside of Norway. Neither the Subscription Rights or the Offer Shares have been, or will be, registered under the U.S. Securities Trading Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and are being offered and sold: (i) in the United States only to Eligible Shareholders who are QIBs as defined in Rule 144A pursuant to transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and (ii) outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S.

The Company reserves the right, in consultation with the Managers, to withdraw, suspend or revoke the Subsequent Offering at any time prior to final allocation at its sole discretion (and for any reason).

16.2 Reasons for the Subsequent Offering

The Subsequent Offering is initiated to limit the dilutive effect of the Private Placement by enabling Eligible Shareholders to subscribe for Offer Shares. In the Private Placement, the pre-emptive rights for subscription of Shares pursuant to the Norwegian Public Limited Companies Act section 10-4 was set aside as the Private Placement was directed to certain existing shareholders and new investors.

16.3 Use of proceeds

The Company will use the net proceeds from Subsequent Offering and funds to maintain a targeted cash buffer following a requirement from UK air authorities to invest USD 46 million for use only by the Company's wholly owned UK Subsidiary, Norse UK, in order to enable the Company to operate and increase the number of flights operating from the UK (specifically London Gatwick) to the US, to improve its liquidity position in relation to the Company's wholly owned Norway AOC, Norse Norway, as well as for general corporate purposes.

16.4 Timetable

The timetable set out below provides certain indicative key dates for the Subsequent Offering (subject to shortening or extensions):

Last day of trading in the Shares including Subscription Rights	24 November 2022 at 09:00 CET
First day of trading in the Shares excluding Subscription Rights	25 November 2022 at 16:30 CET
Record Date	28 November 2022
Commencement of Subscription Period	On or around 12 April 2023 at 09.00 CEST
End of Subscription Period	On or around 19 April 2023 at 16.30 CEST

Allocation of the Offer Shares	On or around 20 April 2023
Publication of results of the Subsequent Offering	On or around 20 April 2023
Distribution of allocation letters	On or around 21 April 2023
Payment Date	On or around 25 April 2023
Registration of the share capital increase pertaining to the Subsequent Offering	On or around 26 April 2023
Delivery of the Offer Shares	On or around 28 April 2023
Listing and commencement of trading in the Offer Shares on Euronext Expand	On or around 28 April 2023

Note that the Company, in consultation with the Managers, reserves the right to extend the Subscription Period at its sole discretion. In the event of an extension of the Subscription Period, or in the event of a delay in the estimated timeline for completion of the Subsequent Offering, the allocation date, the payment due date, the dates of delivery of Offer Shares and other dates relating to the Subsequent Offering may be changed accordingly. The investors subscribing for Offer Shares in the Subsequent Offering will remain irrevocably bound by the subscriptions submitted during the Subscription Period notwithstanding any such extension of the Subscription Period, or any delay in completion of the Subsequent Offering, in accordance with applicable law.

16.5 Resolution to issue the Offer Shares

At the extraordinary General Meeting held on 9 December 2022, the Board of Directors was granted the following authorisation to increase the Company's share capital and issue the Offer Shares in connection with the Subsequent Offering:

- 1) *The board is granted an authorization to increase the share capital by up to NOK 75,000,000, by issuance of up to 60,000,000 new shares, each with a nominal value of NOK 1.25.*
- 2) *The authorization may be utilized by issuance of new shares directed towards the Company's existing shareholders at 24 November 2022 (as registered in the Norwegian Central Securities Depository (VPS) on 28 November 2022), who (i) were not included in the wall-crossing phase of the private placement announced by the Company on 24 November 2022, (ii) were not allocated shares in the private placement and (iii) are not resident in a jurisdiction where such offering would be unlawful, or (for jurisdictions other than Norway) would require any filing, registration or similar action of a registration document or prospectus.*
- 3) *The subscription price per share shall be NOK 2.50. Other conditions for subscription shall be determined by the board.*
- 4) *This authorization will expire on the earlier of the annual general meeting of the Company in 2023 and 30 June 2023.*
- 5) *The shareholders' preferential rights to subscribe for shares pursuant to Section 10-4 of the Norwegian Public Limited Liability Companies Act may be set aside, ref. Section 10-5.*
- 6) *The authorization may only be utilized for capital increases with cash consideration, and does not include any right to incur any obligations for the Company, cf. Section 10-2 of the Norwegian Public Limited Liability Companies Act. The authorization does not include capital increases in connection with mergers.*
- 7) *The board is authorized to make the necessary amendments to the articles of association on execution of this authorization.*
- 8) *The resolution is conditional upon the general meeting resolving to approve all of the proposed resolutions in items 4-7 of the agenda.*

Following expiry of the Subscription Period on 19 April 2023 at 16:30 hours (CEST), the Board of Directors will consider the approval of the completion of the Subsequent Offering and determine the final number and allocation

of the Offer Shares and resolve to issue the Offer Shares pursuant to the authorisation granted by the extraordinary general meeting.

16.6 Offer Price

The Offer Price in the Subsequent Offering is NOK 2.50 per Offer Share. The Offer Price is equal to the subscription price in the Private Placement.

16.7 Subscription Period

The Subscription Period will commence at 09:00 (CEST) on 12 April 2023 and end at 16:30 (CEST) on 19 April 2023. The Subscription Period may not be shortened, but the Company, in consultation with the Managers, may extend the Subscription Period at its sole discretion.

The Company reserves the right, in its sole discretion, to cancel the Subsequent Offering due to market conditions, including if the price of the Company's Shares on the Euronext Growth Oslo trade below the Offer Price in the Subsequent Offering.

16.8 Record Date for Eligible Shareholders

Eligible Shareholders who were registered in the Company's shareholder register in the VPS at the Record Date (28 November 2022) will receive Subscription Rights.

16.9 Subscription Rights

Subject to applicable legal restrictions, the Company will grant Subscription Rights to Eligible Shareholders, being existing shareholders in the Company as of 24 November 2022 (as registered in the VPS on the Record Date):

- (i) who were not included in the wall-crossing phase of the Private Placement;
- (ii) who were not allocated Offer Shares in the Private Placement; and
- (iii) who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action.

Eligible Shareholders will be granted Subscription Rights giving a right to subscribe for and be allocated Offer Shares. Each Eligible Shareholder will be granted 2.10350 Subscription Rights for every existing Share registered as held in the VPS by such Eligible Shareholder on the Record Date.

One (1) Subscription Right will, subject to applicable securities laws, give the right to subscribe for and be allocated one (1) Offer Share in the Subsequent Offering.

The number of Subscription Rights issued to each Eligible Shareholder will be rounded down to the nearest whole number of Subscription Rights without compensation to the holder.

The Subscription Rights will be credited to and registered on each Eligible Shareholder's VPS account by the start of the Subscription Period. The Subscription Rights are distributed free of charge to the Eligible Shareholders.

The Subscription Rights must be used to subscribe for Offer Shares before the end of the Subscription Period (*i.e.* 19 April 2023 at 16.30 hours CEST).

Subscription Rights that are not exercised before 16.30 hours CEST on 19 April 2023 will have no value and will lapse without compensation to the holder. Holders of Subscription Rights should note that subscriptions for Offer Shares must be made in accordance with the procedures set out in this Prospectus and that the grant of Subscription Rights does not in itself constitute a subscription for Offer Shares.

Oversubscription (*i.e.* subscription for more Offer Shares than the number of Subscription Rights held by the subscriber entitles the subscriber to be allocated) will be permitted. Subscription without Subscription Rights will not be permitted. In the event that shareholders who are not Eligible Shareholders, receive Subscription Rights in the Subsequent Offering, such shareholders will not be entitled to use such Subscription Rights to subscribe for Offer Shares in the Subsequent Offering.

Subscription Rights of Eligible Shareholders resident in jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Shares and Eligible Shareholders located in the United States who the Company does not reasonably believe to be a QIB (the "**Ineligible Shareholders**") will initially be credited to such Ineligible Shareholders' VPS accounts. Such crediting specifically does not constitute an offer to Ineligible Shareholders. The Company will instruct the Managers to, as far as possible, withdraw the Subscription Rights from such Ineligible Shareholders' VPS accounts, with no compensation to the holder.

See Section 16.12.4 "*Financial intermediaries - Subscription*" below for a description of the procedures applicable to Subscription Rights held by Ineligible Shareholders through financial intermediaries.

16.10 Subscription procedures

Subscriptions for Offer Shares must be made by submitting a correctly completed Subscription Form as set out in Appendix B to one of the Managers or by way of online subscription as described below.

Eligible Shareholders will receive Subscription Forms that include information about the number of Subscription Rights granted to the Eligible Shareholder and certain other matters relating to the shareholding.

Subscribers who are Norwegian residents with a Norwegian personal identification number (Nw.: *personnummer*) are encouraged to subscribe for Offer Shares by following the link www.paretosec.com/transactions or www.sb1markets.no/transaksjoner both of which will redirect the subscriber to the VPS online subscription system. In order to use the online subscription system, the subscriber must have, or obtain, a VPS account number. Legal persons cannot subscribe for Offer Shares via the VPS online subscription system and must submit the Subscription Form to the Managers to subscribe.

Online subscriptions must be submitted, and accurately completed Subscription Forms must be received by one of the Managers, by the end of the Subscription Period at 16:30 (CEST) on 19 April 2023.

Correctly completed Subscription Forms must be received by one of the Managers at the following address:

Pareto Securities AS
Dronning Mauds gate 3,
P.O. Box 1411 Vika
0115, Oslo, Norway
E-mail: subscription@paretosec.com
Tel: +47 22 87 87 50
www.paretosec.com/transactions

SpareBank 1 Markets AS
Olav V's gate 5,
P.O. Box 1398 Vika
0114, Oslo, Norway
E-mail: subscription@sb1markets.no
Tel: +47 24 14 74 00
www.sb1markets.no

All subscription will be treated in the same manner regardless of which of the above Managers subscriptions are placed with. All subscriptions will be treated in the same manner regardless of whether they are submitted by delivery of a Subscription Form or through the Norwegian VPS' online application system.

Subscribers who are residents of Norway with a Norwegian personal identification number are encouraged to subscribe for Offer Shares through the Norwegian VPS' online subscription system (or by following the link on www.paretosec.com/transactions or www.sb1markets.no/transaksjoner which will redirect the subscriber to the VPS online subscription system). All online subscribers must verify that they are Norwegian residents by entering their national identity number (Nw.: *fødselsnummer*). In addition, the VPS online subscription system is only available for individual persons and is not available for legal entities; legal entities must thus submit a Subscription Form in order to subscribe for Offer Shares. Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period.

None of the Company or the Managers may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Managers. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Managers without notice to the subscriber.

Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the Managers, or in the case of subscriptions through the VPS online subscription system, upon registration of the subscription. The subscriber is responsible for the correctness of the information filled into the Subscription Form or, in case of applications through the VPS online subscription system, the online subscription form. By signing and submitting a Subscription Form, or by subscribing via the VPS online subscription system, the subscribers confirm and warrant that they have read this Prospectus and are eligible to subscribe for Offer Shares under the terms set forth herein.

There is no minimum subscription amount for subscriptions in the Subsequent Offering. Multiple subscriptions (*i.e.* subscriptions on more than one subscription form) are allowed, however, two separate Subscription Forms submitted by the same subscriber with the same number of Offer Shares subscribed for on both Subscription Forms will only be counted once unless otherwise explicitly stated in one of the Subscription Forms. In case of multiple subscriptions through the VPS online subscription system or subscriptions made both on a Subscription Form and through the VPS online subscription system, all subscriptions will be counted.

The formal subscription of allocated Offer Shares will be conducted by the Managers on behalf of the subscriber in a separate subscription form on the basis of the resolution to increase the share capital in connection with the Subsequent Offering to be made by the Board following the expiry of the Subscription Period. By signing the Subscription Form or registering a subscription online through the VPS online subscription system, the subscriber authorizes and instructs the Managers (or someone appointed by it) to on its behalf formally subscribe the number of Offer Shares allocated to it in accordance with such resolution by the Board.

16.11 Mandatory Anti-Money Laundering Procedures

The Subsequent Offering is subject to the Norwegian Money Laundering Act of 1 June 2018, no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018, no. 1324 (the "**Anti-Money Laundering Legislation**").

Subscribers who are not registered as existing customers of the Managers must verify their identity to the Managers in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have designated an existing Norwegian bank account and existing VPS account on the Subscription Form are exempted, unless verification of identity is requested by the Managers. Subscribers who

have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Offer Shares.

Furthermore, participation in the Subsequent Offering is conditional upon the subscriber holding a VPS account. The VPS account number must be stated in the Subscription Form. VPS accounts can be established with authorized VPS registrars, who can be Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use a nominee VPS account registered in the name of a nominee. The nominee must be authorized by the Norwegian FSA. Establishment of a VPS account requires verification of the identification to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

16.12 Financial intermediaries

16.12.1 General

All persons or entities holding Shares or Subscription Rights through financial intermediaries (e.g., brokers, custodians and nominees) should read this Section 16.13 "*Financial intermediaries*". All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of Subscription Rights should be determined by the financial intermediary in accordance with its usual customer relations procedure or as it otherwise notifies each beneficial shareholder.

Neither the Company nor the Managers are liable for any action or failure to act by a financial intermediary through which Shares are held.

16.12.2 Subscription Rights

If an Eligible Shareholder holds Shares registered through a financial intermediary on the Record Date, the financial intermediary will customarily give the Eligible Shareholder details of the aggregate number of Subscription Rights to which it will be entitled. The relevant financial intermediary will customarily supply each Eligible Shareholder with this information in accordance with its usual customer relations procedures. Eligible Shareholders holding Shares through a financial intermediary should contact the financial intermediary if they have received no information with respect to the Subsequent Offering.

Shareholders who hold their Shares through a financial intermediary but are not Eligible Shareholders will not be entitled to exercise their Subscription Rights.

16.12.3 Subscription Period and period for trading in Subscription Rights

The time by which notification of exercise instructions for subscription of Offer Shares must validly be given to a financial intermediary may be earlier than the expiry of the Subscription Period. Such deadlines will depend on the financial intermediary. Eligible Shareholders who hold their Shares through a financial intermediary should contact their financial intermediary if they are in any doubt with respect to deadlines.

16.12.4 Subscription

Any Eligible Shareholder who holds its Subscription Rights through a financial intermediary and wishes to exercise its Subscription Rights, should instruct its financial intermediary in accordance with the instructions received from such financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the Eligible Shareholders and for informing the Managers of their exercise instructions.

Please refer to Section 17 "*Selling and transfer restrictions*" for a description of certain restrictions and prohibitions applicable to the exercise of Subscription Rights in certain jurisdictions outside Norway.

16.12.5 Method of Payment

Any Eligible Shareholder who holds its Subscription Rights through a financial intermediary should pay the Offer Price for the Offer Shares that are allocated to it in accordance with the instructions received from the financial intermediary. The financial intermediary must pay the Offer Price in accordance with the instructions in the Prospectus. Payment by the financial intermediary for the Offer Shares must be made to the Managers no later than the Payment Date. Accordingly, financial intermediaries may require payment to be provided to them prior to the Payment Date.

16.13 Allocation of the Offer Shares

Allocation of the Offer Shares will take place after the expiry of the Subscription Period on or around 19 April 2023. The Offer Shares in the Subsequent Offering will be allocated to Eligible Shareholders who have subscribed for Offer Shares by exercise of Subscription Rights. Any Offer Shares remaining of the Subsequent Offering that has not been allocated on the basis of Subscription Rights will be allocated to Eligible Shareholders who have oversubscribed, pro rata based on the number of Subscription Rights exercised by such Eligible Shareholder. In the event that pro rata allocation is not possible due to the number of remaining Offer Shares, the Company will determine the allocation by lot drawing.

Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Offer Shares allocated.

The Company will not allocate fractional Offer Shares. The Company reserves the right to round off, reject or reduce any subscription for Offer Shares not covered by Subscription Rights, including to reduce any oversubscriptions taking into account inter alia the relative size of the oversubscription compared to Subscription Rights allocated.

General information regarding the result of the Subsequent Offering is expected to be published on or around 20 April 2023 through Oslo Børs' information system. Notifications of allocation of Offer Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter by the Managers on or around 21 April 2023. Subscribers who have access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them from 15:00 CEST on 21 April 2023. Subscribers who do not have access to investor services through their VPS account manager may contact the Managers from 15:00 CEST on 21 April 2023 to obtain information about the number of Offer Shares allocated to them.

The Offer Shares may not be transferred or traded before they have been fully paid by all subscribers and the share capital increase pertaining to the Offer Shares has been registered with the Norwegian Register of Business Enterprises. Subject to timely payment of the aggregate subscription amount in the Subsequent Offering, it is expected that the Company's new share capital following the Subsequent Offering will be registered with the Norwegian Register of Business Enterprises on or around 26 April 2023 and that Offer Shares will be delivered to subscribers to whom they are allocated on or around 28 April 2023. Subject to the aforementioned, the Offer Shares are expected to be tradable on Euronext Expand on or around 28 April 2023.

16.14 Payment for the Offer Shares

The payment for Offer Shares allocated to a subscriber falls due on 25 April 2023 (the Payment Date). Payment must be made in accordance with the requirements set out in this Section 16.14.

16.14.1 Subscribers who have a Norwegian bank account

Subscribers who have a Norwegian bank account must, and will by signing the Subscription Form or by submitting the online subscription registration for subscriptions through the VPS online subscription system, provide the

Managers with a one-time irrevocable authorisation to debit a specified bank account with a Norwegian bank for the amount payable for the Offer Shares which are allocated to the subscriber.

The specified bank account is expected to be debited on or after the Payment Date. The Managers is only authorised to debit such account once, but reserves the right to make up to three debit attempts, and the authorisation will be valid for up to seven working days after the Payment Date.

The subscriber furthermore authorises the Managers to obtain confirmation from the subscriber's bank that the subscriber has the right to dispose over the specified account and that there are sufficient funds in the account to cover the payment.

If there are insufficient funds in a subscriber's bank account or if it for other reasons is impossible to debit such bank account when a debit attempt is made pursuant to the authorisation from the subscriber, the subscriber's obligation to pay for the Offer Shares will be deemed overdue.

Payment by direct debiting is a service that banks in Norway provide in cooperation. In the relationship between the subscriber and the subscriber's bank, the standard terms and conditions for "Payment by Direct Debiting – Securities Trading", which are set out on page 2 of the Subscription Form, will apply. Subscribers who subscribe for an amount exceeding NOK 5 million must contact the Managers for further details and payment instructions.

16.14.2 Subscribers who do not have a Norwegian bank account

Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date.

Prior to any such payment being made, the subscriber must contact the Managers for further details and instructions.

16.14.3 Overdue payments

Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 no. 100, currently 10.75% per annum as of the date of this Prospectus. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Norwegian Public Companies Act and at the discretion of the Managers, not be delivered to the subscriber.

The Managers, on behalf of the Company, reserves the right, at the risk and cost of the subscriber, at any time, to cancel the subscription and to re-allocate or otherwise dispose of allocated Offer Shares for which payment is overdue, or, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares on such terms and in such manner as the Managers may decide in accordance with Norwegian law. The subscriber will remain liable for payment of the subscription amount, together with any interest, costs, charges and expenses accrued and the Managers, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

The Company and the Managers further reserve the right (but have no obligation) to have the Managers advance the subscription amount on behalf of subscribers who have not paid for the Offer Shares allocated to them within the Payment Date. The non-paying subscribers will remain fully liable for the subscription amount payable for the Offer Shares allocated to them, irrespective of such payment by the Managers.

16.14.4 Payments in excess of payment obligations

If any subscribers makes a payment in excess of its payment obligation for allocated Offer Shares, or if an amount in excess of its payment obligation for allocated Offer Shares is debited from the account of a subscriber, such subscriber will be contacted by the Managers to arrange for a refund of the excess amount. Subscribers who are

of the opinion that they have been debited or paid an amount which exceed their payment obligation may also contact the Managers with whom they have placed their subscription. Contact information to the Managers is included in Section 16.10 "*Subscription procedures*" of this Prospectus.

16.15 Delivery and listing of the Offer Shares

All subscribers subscribing for Offer Shares must have a valid VPS account (established or maintained by an investment bank or Norwegian bank that is entitled to operate VPS accounts) to receive Offer Shares. The share capital increase pertaining to the Subsequent Offering will be registered with the Norwegian Register of Business Enterprises as soon as practicable after payment of the total subscription amount for all the Offer Shares has been received by the Company. Assuming that payments from all subscribers are made when due, it is expected that the share capital increase will be registered with the Norwegian Register of Business Enterprises on or around 26 April 2023 and that the delivery of the Offer Shares will take place on or around 28 April 2023. The final deadline for registration of the share capital increase pertaining to the Subsequent Offering with the Norwegian Register of Business Enterprises, and hence for the subsequent delivery of the Offer Shares, is, pursuant to the Norwegian Public Limited Companies Act, three months from the expiry of the Subscription Period. In order to avoid delays in the registration of the share capital increase, the Company may (but has no obligation to) arrange for the Managers or other third parties to make a pre-payment for the Offer Shares.

Subscribers should note that the Offer Shares, if issued, will be subject to a share consolidation prior to delivery, as further described in Section 16.16 "*The rights conferred by the Offer Shares*".

Subject to timely payment of entire subscription amount in the Subsequent Offering and registration of the share capital increase relating to the Subsequent Offering, trading in the Offer Shares on Euronext Expand is expected to commence on or around 28 April 2023.

All of the Offer Shares will be subject to admission to trading on Euronext Expand. The Shares will not be sought or admitted to trading on any other multilateral trading facility or regulated market.

16.16 The rights conferred by the Offer Shares

The Offer Shares issued in the Subsequent Offering will be ordinary Shares in the Company each having a nominal value of NOK 1.25 and be issued in accordance with the Norwegian Public Companies Act.

On 24 March 2023, an extraordinary general meeting of the Company resolved to carry out a share consolidation of the Company's Shares where 4 shares are merged to 1 share. The share consolidation implies a change of the Shares' nominal value from NOK 1.25 to NOK 5.00 and that the total amount of shares is reduced accordingly. The extraordinary general meeting authorized the Board of Directors to decide on the timing and procedure for implementing the share consolidation. As of the date of this Prospectus, the share consolidation has not been implemented and is expected to be resolved with effect from immediately after the share capital increase pertaining to the Subsequent Offering has been registered with the Norwegian Register of Business Enterprises, on or around 26 April 2022. Implementation of the share consolidation will imply that the number of Offer Shares delivered to each subscriber in the Subsequent Offering is reduced accordingly.

As a result of the share consolidation, the Offer Shares will be issued with ISIN NO 0012885252.

16.17 VPS Registration

The Subscription Rights will be registered in the VPS under ISIN NO 0012879040. The Offer Shares will be issued electronically in book-entry form in the VPS with ISIN NO 0012885252, *i.e.* the same ISIN as the Company's Existing Shares following the share consolidation (as further described in section 16.16 above).

The Company's register of shareholders with the VPS is administrated by the VPS Registrar, Nordea Bank Abp, filial i Norge, with registered address at Essendrops gate 7, 0107 Oslo.

16.18 The Listing

On 10 March 2023, the Company applied for the Shares to be admitted to trading and Listing on the Euronext Expand. It is expected that the Oslo Stock Exchange will approve the Listing application of the Company on or around 26 April 2023.

Upon Listing, the Shares will be deregistered from Euronext Growth and will be admitted to trading through the facilities of the Oslo Stock Exchange. Trading in the Shares on the Euronext Expand is expected to commence on or around 28 April 2023 under the ticker code "NORSE".

16.19 National Client Identifier and Legal Entity Identifier

16.19.1 Introduction

In order to participate in the Subsequent Offering, applicants will need a global identification code. Physical persons will need a so called National Client Identifier ("**NCI**") and legal entities will need a so called Legal Entity Identifier ("**LEI**"). Investors who do not already have an NCI or LEI, as applicable, must obtain such codes in time for the application in order to participate in the Offering.

16.19.2 NCI code for physical persons

Physical persons need a NCI code to participate in the Subsequent Offering. For physical persons with only a Norwegian citizenship, the NCI code is the 11 digit personal ID (Nw.: *fødselsnummer*). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Investors are encouraged to contact their bank for further information.

16.19.3 LEI code for legal entities

Legal entities need a LEI code to participate in the Subsequent Offering. A LEI code is a 20-character code that identifies legal entities that engage in financial market transactions. A LEI code must be obtained from an authorised LEI issuer, which can take some time. Investors should obtain a LEI code in time for the application. The Global Legal Identifier Foundation is not directly issuing LEIs, but delegates this responsibility to Local Operating Units ("**LOUs**").

Norwegian companies can apply for a LEI code through the website <https://no.nordlei.org/>. The application can be submitted through an online form and signed electronically with Bank-ID.

Non-Norwegian companies can find a complete list of LOUs on the website <https://www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations>.

For more information on LEI codes, visit www.gleif.org.

16.20 Dilution

The aggregate dilutive effect on the ownership of the Company's shareholders who did not participate in the Private Placement and do not participate in the Subsequent Offering is 70% (if all Eligible Shareholders choose not to participate in the subsequent offering, their combined ownership will be diluted from 36.7% to 11.1%).

The aggregate dilutive effect on the ownership of the Company's shareholders who participates for their relative share of the Subsequent Offering (but who did not participate in the Private Placement) is 6.4% (if all Eligible Shareholders participate for their relative share, the combined ownership will be diluted from 36.7% to 34.4%).

The net asset value per existing Share as at 31 December 2022 was USD 0.136, based on book values of assets and liabilities derived from the Interim Financial Statements, equal to approximately NOK 1.40 (based on a USD/NOK exchange rate of 10.4x). The Offer Price in the Subsequent Offering is NOK 2.5 per Offer Share (equal to the subscription price in the Private Placement).

16.21 Net proceeds and expenses related to the Subsequent Offering

Transaction costs and all other directly attributable costs in connection with the issuance of the Offer Shares will depend on the total amount of Offer Shares issued. If all Offer Shares are issued, total expenses are estimated to approximately NOK 10.5 million, thusly resulting in net proceeds of approximately NOK 139.5 million.

16.22 Interests of natural and legal persons involved in the Subsequent Offering

The Managers or its affiliates have provided from time to time, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Managers will receive a management fee in connection with the Subsequent Offering and, as such, have an interest in the Subsequent Offering.

Except as set out above, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Subsequent Offering.

16.23 Participation of major Eligible Shareholders and members of the Company's Management or Board of Directors in the Subsequent Offering

The Company is not aware of whether any major shareholders of the Company or any members of the Company's management, supervisory or administrative bodies intend to subscribe for Offer Shares, or whether any person intends to subscribe for more than 5 % of the Subsequent Offering. However, members of Management and Board Members who owns Shares in the Company and are Eligible Shareholders, will receive Subscription Rights giving rights to participate in the Subsequent Offering.

16.24 Publication of information related to the Subsequent Offering

In addition to press releases which will be posted on the Company's website, <https://flynorse.com/>, the Company will use the Oslo Stock Exchange's information system, available at www.newsweb.no, to publish information regarding the Subsequent Offering.

16.25 Product governance

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (MiFID II); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the MiFID II Product Governance Requirements), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the

MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the Target Market Assessment).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Subsequent Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

16.26 Governing Law and Jurisdiction

The Subsequent Offering is governed by Norwegian law. Any dispute arising out of, or in connection with, this Prospectus or the Subsequent Offering shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo as legal venue.

17 SELLING AND TRANSFER RESTRICTIONS

This Prospectus does not constitute an offer or grant of, or an invitation to purchase any of, the Subscription Rights or the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of Subscription Rights or Offer Shares to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. The Subscription Rights and Offer Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

17.1 General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares offered or Subscription Rights granted hereby.

The grant of Subscription Rights and issue of Offer Shares to persons resident in or who are citizens of countries other than Norway, may be affected by the laws of the relevant jurisdiction. Investors should consult with their professional advisors as to whether they require any governmental or other consents or need to observe any other formalities to enable them to exercise Subscription Rights and subscribe for Offer Shares.

Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal or restricted to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Subscription Rights or Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Subscription Rights or Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Subscription Rights or Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

17.2 Selling restrictions

17.2.1 United States

The Subscription Rights and/or Offer Shares, as applicable, have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to qualified institutional buyers ("QIBs") in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, the Managers have represented and agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares as part of its allocation at any time other than (i) within the United States to QIBs in accordance with Rule 144A or (ii) outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Subscription Rights and/or Offer Shares will be restricted and each purchaser of the Offer Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 17.2.1 "United States".

Any offer or sale in the United States will be made solely by affiliates of the Managers who are broker-dealers registered under the U.S. Exchange Act. In addition, until 40 days after the commencement of the Subsequent Offering, an offer or sale of Offer Shares within the United States by a dealer, whether or not participating in the Subsequent Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from the registration requirements of the U.S. Securities Act and in connection with any applicable state securities laws.

17.2.2 United Kingdom

This Prospectus and any other material in relation to the Subsequent Offering described herein is only being distributed to, and is only directed at persons in the United Kingdom who are qualified investors within the meaning of Article 2(e) of the Prospectus Regulation, as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018, that are also (i) investment professionals falling within Article 19(5) of the Order; (ii) high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Order; or (iii) persons to whom distributions may otherwise lawfully be made (all such persons together being referred to as Relevant Persons). The Subscription Rights and the Offer Shares are only available to, and any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with, Relevant Persons). This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Persons who are not Relevant Persons should not take any action on the basis of this Prospectus and should not rely on it.

17.2.3 European Economic Area

In relation to each Relevant Member State, no Subscription Rights or Offer Shares have been offered or will be offered to the public in that Relevant Member State, pursuant to the Subsequent Offering, except that Subscription Rights and Offer Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

- a) to persons who are "qualified investors" within the meaning of Article 2 (e) in the EU Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per Relevant Member State, with the prior written consent of the Managers for any such offer; or
- c) in any other circumstances falling under the scope of Article 3(2) of the EU Prospectus Regulation;

provided that no such offer of Subscription Rights or Offer Shares shall result in a requirement for the Company or the Managers to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any Subscription Rights Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Subsequent Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

This EEA selling restrictions are in addition to any other selling restrictions set out in this Prospectus.

17.2.4 Additional jurisdictions

17.2.4.1 Canada

This Prospectus is not, and under no circumstance is to be construed as, a prospectus, an advertisement or a public offering of the Subscription Rights or Offer Shares in Canada or any province or territory thereof. Any offer or sale

of the Subscription Rights or Offer Shares in Canada will be made only pursuant to an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable provincial securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made.

17.2.4.2 Hong Kong

The Subscription Rights and the Offer Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Subscription Rights or the Offer Shares may be issued or may be in the possession of any person for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Subscription Rights or Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

17.2.4.3 Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Subscription Rights or Offer Shares, as applicable, may not be circulated or distributed, nor may they be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person, or any person pursuant to section 275(1A), and in accordance with the conditions, specified in section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

17.2.4.4 Other jurisdictions

The Subscription Rights and the Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Japan, Australia or any other jurisdiction in which it would not be permissible to offer the Subscription Rights or the Offer Shares. In jurisdictions outside the United States and the EEA where the Subsequent Offering would be permissible, the Offer Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

17.3 Transfer restrictions

17.3.1 *United States*

The Subscription Rights and/or Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each person exercising Subscription Rights and each purchaser of Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorized to exercise the Subscription Rights and consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Subscription Rights and the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and, subject to certain exemptions, may not be offered or sold within the United States.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is exercising the Subscription Rights or acquiring the Offer Shares, was located outside the United States at the time the buy order for the Subscription Rights or Offer Shares was originated and continues to be located outside the United States and has not purchased the Subscription Rights or Offer Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Subscription Rights or Offer Shares or any economic interest therein to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not exercise the Subscription Rights or acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser is aware of the restrictions on the offer and sale of the Subscription Rights and the Offer Shares pursuant to Regulation S described in this Prospectus.
- The Subscription Rights and the Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognize any offer, sale, pledge or other transfer of the Offer Shares or exercise of Subscription Rights made other than in compliance with the above restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisors will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
- Each purchaser of the Offer Shares within the United States, purchasing Shares pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:
 - The purchaser is authorized to consummate the exercise of the Subscription Rights or purchase of the Offer Shares in compliance with all applicable laws and regulations.
 - The purchaser acknowledges that the Subscription Rights or Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
 - The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is exercising Subscription Rights or acquiring such Offer Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Subscription Rights or Offer Shares.
 - The purchaser is aware that the Subscription Rights and the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.
 - If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, or any economic interest therein, as the case may be, such Offer Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a

transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the exercise the Subscription Rights or acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The Subscription Rights and the Offer Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Subscription Rights or Offer Shares, as the case may be.
- The Company shall not recognize any offer, sale pledge or other transfer of the Offer Shares or exercise of Subscription Rights made other than in compliance with the above-stated restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

17.3.2 *European Economic Area*

Each person in a Relevant Member State (other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway) who receives any communication in respect of, or who acquires any Subscription Rights or Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Managers and the Company that:

- a) it is a qualified investor within the meaning of Articles 21 of the EU Prospectus Regulation; and
- b) in the case of any Subscription Rights or Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Subscription Rights or Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where Subscription Rights or Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Subscription Rights or Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Subsequent Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Subscription Rights or Offer Shares.

18 ADDITIONAL INFORMATION

18.1 Independent auditor

The Company's independent auditor is RSM Norge AS, with registration number 982 316 588 and registered address Ruseløkkeveien 30, 0251 Oslo, Norway. The partners of RSM Norge AS are members of the Norwegian Institute of Public Accountants (Nw.: *Den Norske Revisorforening*).

RSM Norge AS has been the Company's independent auditor since February 2021.

18.2 Advisors

Pareto Securities AS and SpareBank1 Markets AS will act as Managers in the Subsequent Offering.

Wikborg Rein Advokatfirma AS is acting as legal advisor to the Company in connection with the Subsequent Offering and the Listing.

18.3 Documents on display

Copies of the following documents will be available for inspection at the Company's offices during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Prospectus:

- The Company's certificate of incorporation and Articles of Association; and
- this Prospectus.

The documents are also available at the Company's website <https://flynorse.com/>. Other than as set out in Section 18.4 below, the content of the website is not incorporated by reference into, or otherwise form part of, this Prospectus.

18.4 Incorporation by reference

The information incorporated by reference in this Prospectus should be read in connection with the cross-reference table set out below. Except from this Section 18.4, no other information is incorporated by reference in this Prospectus.

Reference in Prospectus:	Refers to:	Details:
Summary, Sections 4.2.1, 9, 10, 11	The Interim Financial Statements, available at https://flynorse.com/nb-NO/corporate/investors/financial-reports	<u>The Group:</u> <u>Statement of comprehensive income: Page 7</u> <u>Statement of financial position: Page 8</u> <u>Statement of cash flow: Page 9</u> <u>Statement of changes in equity: Page 10</u> <u>Notes: Pages 11 and following</u>
Summary, Sections 4.2.1, 9, 10, 11	The Annual Financial Statements, available at https://flynorse.com/nb-NO/corporate/investors/financial-reports	<u>The Group:</u> <u>Statement of comprehensive income: Page 16</u> <u>Statement of financial position: Page 17</u> <u>Statement of cash flow: Page 18</u> <u>Statement of changes in equity: Page 19</u> <u>Notes: Pages 20 and following</u>

19 DEFINITIONS AND GLOSSARY OF TERMS

ADS	ADS Shipping Ltd
Aercap Leases	The 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
Annual Financial Statements	Audited consolidated financial statements for the Company as of and for the financial years ended 31 December 2021
Anti-Money Laundering Legislation	The Norwegian Money Laundering Act of 1 June 2018, no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018, no. 1324
AOCs	Air operating certificates
APMs	Alternative performance measures
Articles of Association	The articles of association of the Company, last amended 9 December 2022, attached hereto as Appendix A
ASAs	Bilateral air services agreements between sovereign states under the 1944 Chicago Convention on International Civil Aviation
Board of Directors or Board Member(s)	The members of the board of directors of the Company, or any one of them
Boca Leases	The agreement for the lease of six Boeing Dreamliner aircraft from BOC Aviation Ltd
Brexit	The exit of the UK from the EU
CAA	A country's Civil Aviation Authority
CASK	Cost per available seat kilometre including lease cost and fuel
CEO	Chief Executive Officer
CET / CEST	Central European Time / Central European Summer Time
Company or Norse Atlantic	Norse Atlantic ASA, a Norwegian public limited liability company with registration number 926 645 986 and registered address at Fløyveien 14, 4838 Arendal, Norway
Company Information	The Company's own assessment and knowledge of the potential markets in which it may operate
Convention	1944 Chicago Convention on International Civil Aviation
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance, last revised on 14 October 2021
Corsia	Carbon Offsetting and Reduction Scheme for International Aviation established by the International Civil Aviation Organisation
DOT	US Department of Transport
EBITDA	Earnings before interest, taxes, depreciation and amortization
EEA	The European Economic Area
EEA Ownership Provisions	Provisions in bilateral civil aviation agreements or law, regulations or other official legal requirements that require the Company or any of its subsidiaries to be owned or controlled by shareholders who are EEA nationals
Eligible Shareholders	Existing shareholders in the Company as of 24 November 2022 (as registered with the VPS two trading days thereafter) who (i) were not included in the wall-crossing phase of the Private Placement, (ii) were not allocated Offer Shares in the Private Placement, and (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action.
ESMA	The European Securities and Markets Authority
EU	The European union
EU ETS	The European Union introduced the Emissions Trading Scheme
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, as implemented in Norway
EUR	Euro, the lawful currency of the European Union
Euronext Growth	Euronext Growth Oslo, a multilateral trading facility operated by Oslo Børs ASA
FACP	Foreign air carrier permit from the US Department of Transport
Financial Information	The Annual Financial Statements and the Interim Financial Statements together
GBP	British Pound Sterling, the lawful currency of the United Kingdom
GDPR	The General Data Protection Regulation (EU) 2016/679
Group	The Company and its consolidated subsidiaries
IAS 8	International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors" as adopted by the EU

IAS 34	International Accounting Standard 34 " <i>Interim Financial Reporting</i> " as adopted by the EU
IATA	The International Air Transport Association
ICAO	The International Civil Aviation Organisation, an agency of the United Nations
IFRS	International Financial Reporting Standards and in accordance with interpretations determined by the International Accounting Standards Board (IASB) as adopted by the EU
Ineligible Shareholders	Shareholders resident in jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Shares and Eligible Shareholders located in the United States who the Company does not reasonably believe to be a QIB
Interim Financial Statements	The Company's unaudited consolidated financial statements as of and for the period from 1 January 2022 to 31 December 2022.
Lease Agreements	The AerCap Leases and the BOCA Leases together
LEI	Legal Entity Identifier
Listing	The listing of all of the Company's Shares on Euronext Expand, a stock exchange being part of Euronext and operated by the Oslo Stock Exchange, expected on or around 28 April 2023
LOUs	Local operating unit
Management	The members of the Company's executive management
Managers	Pareto Securities AS and SpareBank 1 Markets AS
MiFID II	EU Directive 2014/65 on markets in financial instruments, as amended
MiFID II Product Governance Requirements	MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and local implementing measures
NCAA	Civil Aviation Authority of Norway
NCI	National Client Identifier
NOK	Norwegian kroner, the lawful currency of Norway
NOM-account	Nominee account, in which non-Norwegian beneficial owners of shares may register ownership
Non-Norwegian Corporate Shareholders	Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes
Norwegian FSA	The Financial Supervisory Authority of Norway (Nw.: <i>Finanstilsynet</i>)
Norwegian Public Companies Act	The Norwegian Public limited Liability Companies Act of 13 June 1997 no. 45, as amended (Nw.: <i>allmennaksjeloven</i>)
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (Nw.: <i>verdipapirhandelloven</i>)
Norwegian Shareholders	Shareholders that are residents of Norway for purposes of Norwegian taxation
Offer Shares	The Offer Shares to be issued or sold in the Subsequent Offering
Offer Price	The price at which the Offer Shares will be sold in the Subsequent Offering of NOK 2.50 per Offer Share
Operating Licenses	Operating licenses for transportation of passengers in commercial air traffic from the NCAA and UKCAA
Option Plan	A proposed employee incentive scheme, consisting of an option plan directed towards the Management and selected key employees of the Group
Order	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended
OSM AHH	OSM Aviation Academy Holding AS
Oslo Stock Exchange	Euronext Expand, a Norwegian regulated market being part of Euronext® and operated by Oslo Børs ASA
Payment Date	The payment date for the Offer Shares in the Subsequent Offering, expected to be on or around 25 April 2023
Private Placement	The private placement of 120,000,000 new shares completed on 25 November 2022
Prospectus	This prospectus dated 11 April 2023
QIBs	Qualified institutional buyers as defined in Rule 144A of the U.S. Securities Act
Record Date	28 November 2022
Regulated Market	A market for financial instruments within the scope of Article 4(1)(21) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments
Relevant Member State	Any member state of the European Economic Area, other than Norway
Relevant Persons	Persons (i) falling within the definition of "investment professionals" in Article 19(5) of the Order, (ii) high net worth bodies, corporate, unincorporated associations and partnerships and trustees of high value trusts falling within Article 49(2)(a) to (d) of the Order, and/or (iii) other persons to whom such investment or investment activity may lawfully be communicated or caused to be communicated.
RPK	Revenue passenger kilometres

SAF	Sustainable Aviation Fuel blending mandate under the European Commission's "ReFuel EU" proposal
SFA	Securities and Futures Act, Chapter 289 of Singapore
Share(s)	The shares of the Company, consisting as of the date of this Prospectus of 206,084,314 ordinary shares each with a nominal value of NOK 1.25
Subscription Form	The subscription form set out in Appendix B to this Prospectus
Subscription Period	The subscription period for the Subsequent Offering which will take place from 09:00 CEST on 12 April 2023 to 16:30 CEST on 19 April 2023, unless extended
Subscription Rights	The non-tradeable subscription rights in the Subsequent Offering
Subsequent Offering	The subsequent repair offering of up to 60,000,000 new Offer Shares in the Company, each with a nominal value of NOK 1,25, at an Offer Price of NOK 2.50 per Offer Share
Target Market Assessment	The product approval process which has determined that each Share are (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II, and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II
Transatlantic Market	The market for low-cost long-haul flights between Europe and North America
UK	The United Kingdom
UK CAA	UK Civil Aviation Authority
UK ETS	UK Emissions Trading System
USD	United States Dollars, the lawful currency of the United States of America
U.S. or the United States	The United States of America
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended
U.S. Securities Act	The U.S. Securities Act of 1933, as amended
VPS	The Norwegian central securities depository, Euronext Securities Oslo (Nw.: <i>Verdipapirsentralen</i>)
VPS Registrar	Nordea Bank Abp, filial i Norge (Registrar Departement)



Norse Atlantic ASA

Fløyveien 14,
4838 Arendal
Norway

<https://flynorse.com/>

Managers for the Subsequent Offering:

Pareto Securities AS
Dronning Mauds gate 3
0250 Oslo, Norway

SpareBank 1 Markets AS
Olav Vs gate 5
0161 Oslo, Norway

Legal advisor to the Company

Wikborg Rein Advokatfirma AS
Dronning Mauds gate 11
0250 Oslo, Norway

APPENDIX A: Articles of Association

VEDTEKTER FOR NORSE ATLANTIC ASA

(vedtatt 24. mars 2023)

§ 1 – Selskapets navn

Selskapets foretaksnavn er Norse Atlantic ASA. Selskapet er et allmennaksjeselskap.

§ 2 – Forretningskommune

Selskapets forretningskontor er i Arendal kommune. Selskapets generalforsamling kan også holdes i Oslo kommune.

§ 3 – Selskapets virksomhet

Selskapets formål er transportvirksomhet og alt som hermed står i forbindelse, herunder å delta i andre selskaper med lignende virksomhet, kjøp og salg av aksjer, eller på annen måte gjøre seg interessert i andre foretagender.

§ 4 – Aksjekapital og aksjer

Selskapets aksjekapital er NOK 257 605 392,50 fordelt på 206 084 314 aksjer, hver pålydende NOK 1.25. Selskapets aksjer skal være registrert i et verdipapirregister.

§ 5 – EØS-eierskapsbestemmelser

Dersom det etter styrets oppfatning foreligger omstendigheter som kan medføre at selskapets eller eventuelle datterselskapers tillatelser til å drive luftfartsvirksomhet ikke innvilges, bortfaller eller trekkes tilbake (permanent eller midlertidig) på bakgrunn av brudd på bestemmelser i bilaterale luftfartsavtaler eller lov, forskrift eller andre offentligrettslige krav som krever at selskapet eller eventuelle datterselskaper skal eies eller kontrolleres av aksjeeiere som er hjemmehørende i EØS (slike bestemmelser heretter i felleskap "**EØS-eierskapsbestemmelser**"), skal styret fatte en av de følgende beslutningene:

(i) Styret kan anmode aksjeeiere som ikke er hjemmehørende innenfor EØS om å enten selge aksjer eller sørge for at slike aksjer er eiet og kontrollert av personer og/eller selskaper som er hjemmehørende innenfor EØS.

(ii) Styret kan kreve at aksjeeiere som: (a) ikke er hjemmehørende i EØS; (b) har kjøpt aksjer i selskapet; og (c) ved slikt kjøp forårsaker at selskapet eller eventuelle datterselskaper er i brudd med EØS-eierskapsbestemmelser, selger en andel aksjer i selskapet

ARTICLES OF ASSOCIATION FOR NORSE ATLANTIC ASA

(adopted 24 March 2023)

Article 1 – Company name

The business name of the company is Norse Atlantic ASA. The company is a public limited liability company.

Article 2 – Registered office

The registered office of the company is located in the municipality of Arendal. The company's general meeting can also be held in Oslo municipality.

Article 3 – The business of the company

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.

Article 4 – Share capital and shares

The share capital of the company is NOK 257,605,392.50 divided on 206,084,314 shares, each with a nominal value of NOK 1.25. The company's shares shall be registered in a central securities depository.

Article 5 – EEA ownership provisions

If there are circumstances that, in the board of directors' opinion, may cause the company's or any of its subsidiaries' authorisations to carry out air traffic operations not to be granted, to be annulled or revoked (permanently or temporary) on the grounds of violation of provisions in bilateral civil aviation agreements or law, regulations or other official legal requirements that require the company or any of its subsidiaries to be owned or controlled by shareholders who are EEA nationals (such provisions hereinafter referred to as "**EEA Ownership Provisions**"), the board shall make any of the following decisions:

(i) The board may request that shareholders that are not domiciled within the EEA either sell shares or ensure that such shares are owned and controlled by persons and/or companies that are domiciled within the EEA.

(ii) The board may compel shareholders that: (a) are not domiciled within the EEA; (b) have acquired shares in the company; and (c) by such acquisition cause the company or any of its subsidiaries to violate EEA Ownership Provisions, to sell a portion of shares sufficient to ensure that the

som er tilstrekkelig for å sikre at selskapet eller datterselskaper ikke lenger er i brudd med EØS-eierskapsbestemmelser innen en tidsfrist fastsatt av styret. Tidsfristen for å selge aksjer skal fortrinnsvis ikke være lenger enn 14 dager fra tidspunktet melding med instruks om salg er gitt til aksjeeieren av styret.

(iii) Forutsatt at selskapet har rett til å kjøpe egne aksjer i tråd med allmennaksjeloven, kan styret bestemme at selskapet skal kjøpe egne aksjer fra aksjeeiere som: (i) ikke er hjemmehørende i EØS; (ii) har kjøpt aksjer i selskapet; og (iii) ved slikt kjøp forårsaker at selskapet eller eventuelle datterselskaper er i brudd med EØS-eierskapsbestemmelser, og kreve at aksjeeiere gjennomfører slikt salg til selskapet. Prisen per aksje som skal legges til grunn ved selskapets kjøp av egne aksjer fra aksjeeieren skal være lik sluttkursen for selskapets aksjer registrert på Euronext Growth (Oslo) dagen før selskapets kjøp finner sted, fratrukket 25%.

En aksjeeiers salg av aksjer etter punkt (ii) og selskapets kjøp av egne aksjer etter punkt (iii) ovenfor skal fortrinnsvis skje i motsatt kronologisk rekkefølge slik at aksjer som ble kjøpt av aksjeeieren sist skal selges av aksjeeieren først. Ved fastsettelse av tidspunktet for aksjeeierens kjøp skal datoen for registrering i Verdipapirsentralen (VPS) legges til grunn.

Salg og kjøp av aksjer etter henholdsvis punkt (ii) og (iii) ovenfor skal skje i den utstrekning det etter styrets mening er nødvendig for at det ikke lenger skal foreligge omstendigheter som kan medføre at selskapet eller eventuelle datterselskaper er i brudd med EØS-eierskapsbestemmelser.

Vurderingen av om en aksjeeier er hjemmehørende i EØS skal baseres på de til enhver tid gjeldende retningslinjene lagt til grunn av relevante myndighet.

§ 6 – Innløsning av aksjer

Dersom det etter styrets oppfatning foreligger omstendigheter som kan medføre at selskapets eller eventuelle datterselskapers tillatelser til å drive luftfartsvirksomhet ikke innvilges, bortfaller eller trekkes tilbake (permanent eller midlertidig) på bakgrunn av brudd på EØS-eierskapsbestemmelser (som definert i artikkel 5 ovenfor), kan styret i tillegg til tiltakene nevnt i artikkel 5, bestemme at aksjene som eies av aksjeeiere som: (a) ikke er hjemmehørende i EØS; (b) har kjøpt aksjer i selskapet; og (c) ved slikt kjøp forårsaker at selskapet eller eventuelle datterselskaper er i brudd med EØS-eierskapsbestemmelser, skal innløses ved kapitalnedsettelse i selskapet jf. allmennaksjeloven 12-7.

company or subsidiaries no longer violates EEA Ownership Provisions within a deadline determined by the board of directors. The deadline for selling shares shall preferably not be shorter than 14 days from when an instruction to sell is given to the shareholder by the board of directors.

(iii) Subject to the company being entitled to acquire its own shares in accordance with the Norwegian Public Limited Liability Companies Act, the board of directors may determine that the company shall acquire shares from shareholders that: (a) are not domiciled within the EEA; (b) have acquired shares in the company; and (c) by such acquisition cause the company or any of its subsidiaries to violate EEA Ownership Provisions, and compel shareholders to carry out such sale to the company. The price per share to be applied for the company's acquisition of its own shares from a shareholder shall equal the closing price for the company's shares registered at Euronext Growth (Oslo) the day before the company's acquisition takes place, less 25%.

A shareholder's sale of shares pursuant to item (ii) and the company's acquisition of its own shares pursuant to item (iii) above shall preferably be carried out in reverse chronological order so that shares last acquired by a shareholder shall be sold by such shareholder first. When determining the time of a shareholders' acquisition, the date of registration with the Norwegian Central Securities Depository (VPS) shall be applied.

Sale and acquisition of shares pursuant to item (ii) and (iii) above, respectively, shall take place to such extent it, in the board of director's opinion, is necessary to avoid circumstances that may lead to the company or any of its subsidiaries being in violation of EEA Ownership Provisions.

The assessment of whether a shareholder is domiciled within the EEA shall be based on the at all times prevailing guidelines applied by the relevant authority.

Article 6 – Redemption of shares

If there are circumstances that, in the board of directors' opinion, may cause the company's or any of its subsidiaries' authorisations to carry out air traffic operations not to be granted, to be annulled or revoked (permanently or temporarily) on the grounds of violation of EEA Ownership Provisions (as defined in article 5 above), the board may in addition to the actions set out in article 5, resolve that the shares that are owned by shareholders that: (a) are not domiciled within the EEA; (b) have acquired shares in the company; and (c) by such acquisition cause the company or any of its subsidiaries to violate EEA Ownership Provisions, shall be redeemed by way of a share capital decrease in the

Selskapets innløsning av aksjer skal fortrinnsvis skje i motsatt kronologisk rekkefølge slik at aksjer som ble kjøpt av aksjeeieren sist skal innløses av selskapet først. Ved fastsettelse av tidspunktet for aksjeeierens kjøp skal datoen for registrering i Verdipapirsentralen (VPS) legges til grunn.

Prisen per aksje som skal legges til grunn for selskapets innløsning av aksjer skal være lik sluttkursen for selskapets aksjer registrert på Euronext Growth (Oslo) dagen før innløsning finner sted, fratrukket 25%.

§ 7 – Styre og signatur

Selskapets styre skal ha 3-7 medlemmer.

Selskapets firma tegnes av styreformann alene, administrerende direktør alene eller av to styremedlemmer i fellesskap.

§ 8 – Generalforsamling

Den ordinære generalforsamling skal behandle og avgjøre:

- (i) Godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
- (ii) Andre saker som i henhold til loven eller vedtektene hører under generalforsamlingen.

Dokumenter som gjelder saker som skal behandles på generalforsamlingen, herunder dokumenter som i henhold til lov skal inntas i eller vedlegges innkallingen, trenger ikke sendes aksjeeierne dersom dokumentene gjøres tilgjengelig på selskapets hjemmeside. En aksjeeier kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.

Aksjeeiere kan avgi skriftlig forhåndsstemme i saker som skal behandles på generalforsamlinger i selskapet. Slike stemmer kan også avgis ved elektronisk kommunikasjon. Adgangen til å avgi forhåndsstemme er betinget av at det foreligger en betryggende metode for autentisering av avsender. Styret avgjør om det foreligger en slik metode i forkant av den enkelte generalforsamling. Styret kan fastsette nærmere retningslinjer for skriftlige forhåndsstemmer. Det skal fremgå av generalforsamlingsinnkallingen om det er gitt adgang til forhåndsstemming og hvilke retningslinjer som eventuelt er fastsatt for slik stemmegivning.

company pursuant to section 12-7 of the Norwegian Public Limited Liability Companies Act .

The company's redemption of shares shall preferably be carried out in reverse chronological order so that shares last acquired by a shareholder shall be redeemed by the company first. When determining the time of a shareholders' acquisition, the date of registration with the Norwegian Central Securities Depository (VPS) shall be applied.

The price per share to be applied for the company's redemption of shares shall equal the closing price for the company's shares registered at Euronext Growth (Oslo) the day before the company's redemption takes place, less 25%.

Article 7 – Board of directors and signatory rights

The board shall consist of 3-7 members.

The chairman alone, the managing director alone or two board members acting jointly are authorized to sign on behalf of the company.

Article 8 – General meeting

The annual general meeting shall discuss and decide upon the following:

- (i) Approval of the annual accounts and annual report, including distribution of dividends.
- (ii) Other matters that according to law or the articles of association are to be decided upon by the general meeting.

Documents relating to matters to be dealt with by the company's general meeting, including documents which pursuant to law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if such documents have been made available on the company's website. A shareholder may nevertheless request that documents which relate to matters to be dealt with at the general meeting are sent to him/her.

Shareholders may cast a written vote in advance in matters to be discussed at the general meetings of the company. Such votes may also be cast through electronic communication. The access to cast votes in advance is subject to the presence of a safe method of authenticating the sender. The board of directors decides whether such a method exists before each individual general meeting. The board can set further guidelines for written advance votes. The notice of general meeting must state whether advance votes are permitted and which guidelines, if any, that have been issued for such voting.

Styret kan beslutte at aksjonærer som vil delta på generalforsamlingen må melde dette til selskapet innen en bestemt frist som ikke kan utløpe tidligere enn fem dager før generalforsamlingen.

§ 9 – Nominasjonskomité

Selskapet skal ha en nominasjonskomité. Nominasjonskomiteen skal bestå av to til fire medlemmer, etter generalforsamlingens beslutning, hvor flertallet skal være uavhengige av styret og den daglige ledelse. Nominasjonskomiteens medlemmer, herunder nominasjonskomiteens leder, velges av generalforsamlingen for to år av gangen om ikke generalforsamlingen fastsetter en annen periode i forbindelse med valget.

Nominasjonskomiteen avgir innstilling til generalforsamlingen om valg av aksjeeiervalgte medlemmer til styret og styrets leder, medlemmer til nominasjonskomiteen og godtgjørelse til styrets medlemmer og nominasjonskomiteens medlemmer. Generalforsamlingen kan fastsette instruks for nominasjonskomiteen.

The board may decide that shareholders who wish to participate at the general meeting provides prior notice to the company within a set deadline, which can be no earlier than five days prior to the general meeting.

Article 9 – Nomination committee

The company shall have a nomination committee. The nomination committee shall consist of between two and four members, as resolved by the general meeting, where the majority of the members shall be independent of the board of directors and the management. The members of the nomination committee, including the chairperson, will be elected by the general meeting for a term of two years unless the general meeting decides otherwise in connection with the election.

The nomination committee shall give recommendations to the general meeting for the election of shareholder elected members to the board of directors and the chairperson of the board, and to members of the nomination committee, in addition to recommendations for remuneration to the members of the board of directors and the members of the nomination committee. The general meeting may adopt instructions for the nomination committee.

In case of any discrepancy between the Norwegian and English text, the Norwegian text shall prevail.

APPENDIX B: Subscription form

SUBSCRIPTION FORM FOR THE SUBSEQUENT OFFERING

General information: The terms and conditions of the subsequent offering (the "**Subsequent Offering**") by Norse Atlantic ASA, with business registration number 926 645 986 (the "**Company**") of up to 60,000,000 new shares in the Company, each with a nominal value of NOK 1.25 (the "**Offer Shares**") are set out in the prospectus dated 11 April 2023 (the "**Prospectus**"). Terms defined in the Prospectus shall have the same meaning in this subscription form (the "**Subscription Form**"). All announcements referred to in this Subscription Form will be made through the Oslo Stock Exchange's information system under the Company's ticker "NORSE".

Subscription procedure: The subscription period will commence at 09:00 hours (CEST) on 12 April 2023 and expire at 16:30 hours (CEST) on 19 April 2023 (the "**Subscription Period**"). The Subscription Period may be extended at the Company's sole discretion. Correctly completed Subscription Forms must be received by Pareto Securities AS or SpareBank 1 Markets AS (the "**Managers**") at the addresses set out below, or, in the case of online subscriptions, be registered by no later than 16:30 hours (CEST) on 19 April 2023:

Pareto Securities AS
Dronning Mauds gate 3,
P.O. Box 1411 Vika
0115, Oslo, Norway
E-mail: subscription@paretosec.com
Tel: +47 22 87 87 50
www.paretosec.com/transactions

SpareBank 1 Markets AS
Olav V's gate 5,
P.O. Box 1398 Vika
0114, Oslo, Norway
E-mail: subscription@sb1markets.no
Tel: +47 24 14 74 00
www.sb1markets.no

The subscriber is responsible for the correctness of the information included herein. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Managers without notice to the subscriber.

Subscribers who are Norwegian residents with a Norwegian personal identity number (Nw.: "fødselsnummer") are encouraged to subscribe for Offer Shares through the VPS online subscription system (or by following the link on www.paretosec.com/transactions or www.sb1markets.no/transaksjoner which will redirect the subscriber to the VPS online subscription system). Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period.

Neither the Company nor the Managers may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Managers. Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after being received by the Managers or, in the case of subscriptions through the VPS online subscription system, the online subscription registration. By signing and submitting this Subscription Form, or registering a subscription through the VPS online subscription system, the subscriber confirms and warrants to have read the Prospectus and to be eligible to subscribe for Offer Shares under the terms set forth therein.

Offer Price: The subscription price in the Subsequent Offering is NOK 2.50 per Offer Share (the "**Offer Price**").

Subscription Rights: The shareholders of the Company as of 24 November 2022 (as registered in the Norwegian Central Securities Depository, Euronext Securities Oslo (the "**VPS**") two trading days thereafter, on 28 November 2022 (the "**Record Date**"), who (i) were not included in the wall-crossing phase of the Private Placement; (ii) were not allocated shares in the Private Placement and (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (the "**Eligible Shareholders**") are being granted 2.10350 non-tradeable subscription rights (the "**Subscription Rights**") for each share held by such Eligible Shareholder in the Company as of the Record Date, subject to certain limitations based on applicable laws and regulations, that will give right to subscribe for, and be allocated one (1) Offer Shares in the Subsequent Offering at the Offer Price. The number of Subscription Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Subscription Right. Over-subscription is allowed. Subscription without Subscription Rights is not permitted. **Subscription Rights that are not exercised before 16.30 hours CEST on 19 April 2023 will have no value and will lapse without compensation to the holder.**

Allocation: The allocation criteria are set out in the Prospectus. Over-subscription will be permitted, but there can be no assurance that Offer Shares will be allocated for such subscriptions. Subscription without Subscription Rights will not be permitted. Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact the subscriber's obligation to subscribe and pay for the number of Offer Shares allocated. All subscribers being allotted Offer Shares will receive a notice through VPS Investor Services confirming the number of Offer Shares allotted to the subscriber and the corresponding subscription amount. Subscribers having access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them from approximately from 12:00 CEST on 21 April 2023. Subscribers who do not have access to investor services through their VPS account manager may contact the Managers from 12:00 CEST on 21 April 2023 to obtain information about the number of Offer Shares allocated to them.

Payment: The payment for the Offer Shares falls due on 25 April 2023 (the "**Payment Date**"). By signing the Subscription Form or registering a subscription through the VPS online subscription system, each subscriber having a Norwegian bank account, provides the Managers with a one-time irrevocable authorisation to debit the bank account specified by the subscriber below for payment of the allotted Offer Shares for transfer to the Managers. The specified bank account is expected to be debited on or after the Payment Date. The Managers are only authorised to debit such account once, but reserve the right (but have no obligation) to make up to three attempts to debit the subscribers' accounts if there are insufficient funds on the account on previous debit dates. The authorisation will be valid for up to seven working days after the Payment Date. Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date and should contact the Managers in this respect for further details and instructions. Should any subscriber have insufficient funds in his or her account, should payment be delayed for any reason, or if it is not possible to debit the account or if payments for any reasons are not made when due, overdue interest will accrue and other terms will apply as set out under the heading "Overdue and missing payments" below.

Guidelines for the subscriber: Please refer to the second page of this Subscription Form for further additional information for the subscriber.

Subscriber's VPS account (12 digits)	Number of Subscription Rights	Number of Offer Shares subscribed	(For broker: Consecutive no.)
SUBSCRIPTION RIGHT'S SECURITIES NUMBER: ISIN NO 0012879040		NOK 2.50	Total Subscription amount to be paid NOK _____

IRREVOCABLE AUTHORISATION TO DEBIT ACCOUNT (MUST BE COMPLETED)

Norwegian bank account to be debited for the consideration for shares allotted (number of shares allotted x 2.50).	_____ (Norwegian bank account no. 11 digits)
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In accordance with the terms and conditions set out in the Prospectus and this Subscription Form, I/we hereby irrevocably (i) subscribe for the number of Offer Shares specified above and (ii) grant the Managers (or someone appointed by them) acting jointly or severally to take all actions required to purchase and/or subscribe for Offer Shares allocated to me/us on my/our behalf, to take all other actions deemed required by them to give effect to the transactions contemplated by this Subscription Form, and to ensure delivery of such Offer Shares to me/us in the VPS, (iii) grant the Managers an authorisation to debit (by direct or manual debiting as described above) the specified bank account for the payment of the Offer Shares allocated to me/us, and (iv) confirm and warrant to have read the Prospectus and that I/we are aware of the risks associated with an investment in the Offer Shares and that I/we are eligible to subscribe for and purchase Offer Shares under the terms set forth therein.

Date and place
Must be dated in the Subscription Period

Binding signature
The subscriber must have legal capacity. When signed on behalf of a company or pursuant to an authorisation, documentation in the form of a company certificate or power of attorney should be attached

INFORMATION ON THE SUBSCRIBER (all fields must be completed)

First name	
Surname/company	
Street address (for private: home address)	
Post code/district/country	
Personal ID number/Organisation number	
Legal Entity Identifier ("LEI") /National Client Identifier ("NCI")	
Norwegian bank account for dividends	
Nationality	
E-mail address	
Daytime telephone number	

Please note: If the Subscription Form is sent to the Managers by e-mail, the e-mail will be unsecured unless the applicant itself takes measures to secure it. The Subscription Form may contain sensitive information, including national identification numbers, and the Managers recommend the applicant to send the Subscription Form to the Managers in a secured e-mail.

ADDITIONAL INFORMATION FOR THE SUBSCRIBER

Regulatory Issues: In accordance with the Markets in Financial Instruments Directive 2014/65/EU ("MIFID II") of the European Union, Norwegian law imposes requirements in relation to business investments. In this respect the Managers must categorize all new clients in one of three categories: eligible counterparties, professional and non-professional clients. All subscribers in the Subsequent Offering who are not existing clients of the Managers will be categorized as non-professional clients. Subscribers can, by written request to the Managers, ask to be categorized as a professional client if the subscriber fulfils the applicable requirements of the Norwegian Securities Trading Act. For further information about the categorization, the subscriber may contact the Managers on the telephone numbers set forth hereon. The subscriber represents that he/she/it is capable of evaluating the merits and risks of an investment decision to invest in the Company by subscribing for Offer Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares.

The Managers will receive a consideration from the Company in connection with the Subsequent Offering and will in conducting its work have to take into consideration the requirements of the Company and the interests of the investors subscribing under the Subsequent Offering and the rules regarding inducements pursuant to the requirements of the Norwegian Securities Trading Act and accompanying regulations (implementing MIFID II).

Selling and Transfer Restrictions: The attention of persons who wish to subscribe for Offer Shares is drawn to Section 17 "Selling and Transfer Restrictions" of the Prospectus. The making or acceptance of the Subsequent Offering to or by persons who have registered addresses outside Norway or who are resident in, or citizens of, countries outside Norway, may be affected by the laws of the relevant jurisdiction.

The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction other than Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except as permitted by applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about, and to observe, any such restrictions. In addition, the Shares and the Subscription Rights are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The Offer Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or with any securities regulatory authority of any state or other jurisdiction in the United States, and are being offered and sold: (i) in the United States only to persons who are QIBs in reliance on Rule 144A or another available exemption from, or in a transaction not being subject to, the registration requirements under the U.S. Securities Act and (ii) outside the United States in compliance with Regulation S. Prospective investors are hereby notified that any seller of the Offer Shares may be relying on the exemption from the provisions of section 5 of the U.S. Securities Act provided by Rule 144A.

A subscription for Offer Shares in contravention of the above restrictions may be deemed to be invalid. By subscribing for Offer Shares, persons effecting subscriptions will be deemed to have represented to the Company that they, and the persons on whose behalf they are subscribing for the Offer Shares, have complied with the above selling restrictions. A notification of exercise of Subscription Rights and subscription of Offer Shares in contravention of the above restrictions may be deemed to be invalid.

Information Exchange: The subscriber acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Commercial Banks Act and foreign legislation applicable to the Manager, there is a duty of secrecy between the different units of the Managers as well as between the Managers and the other entities in the Managers' group. This may entail that other employees of the Managers or the Managers' group may have information that may be relevant to the subscriber and to the assessment of the Offer Shares, but which the Managers will not have access to in their capacity as Managers for the Subsequent Offering.

Information Barriers: Each Manager is a securities firm that offer a broad range of investment services. In order to ensure that assignments undertaken in the Managers' respective corporate finance departments are kept confidential, the Managers' other activities, including analysis and stock broking, are separated from the Managers' corporate finance department by information walls. The subscriber acknowledges that the Managers' analysis and stock broking activity may act in conflict with the subscriber's interests with regard to transactions of the Shares, including the Offer Shares, as a consequence of such information walls.

Mandatory Anti-Money Laundering Procedures: The Subsequent Offering is subject to the Norwegian Money Laundering Act No. 23 of 1 June 2018 and the Norwegian Money Laundering Regulations No. 1324 of 14 September 2018 (collectively the "Anti-Money Laundering Legislation"). Subscribers who are not registered as existing customers with the Managers must verify their identity in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. The verification of identity must be completed prior to the end of the Subscription Period. Subscribers that have not completed the required verification of identity may not be allocated Offer Shares. Further, in participating in the Subsequent Offering, each subscriber must have a VPS account. The VPS account number must be stated on the Subscription Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. Establishment of a VPS account requires verification of identity before the VPS registrar in accordance with the Anti-Money Laundering Legislation. Non-Norwegian investors may, however, use nominee VPS accounts registered in the name of a nominee. The nominee must be authorized by the Financial Supervisory Authority of Norway.

Data protection: The subscriber confirms that it has been provided information regarding the Managers' processing of personal data, and that it is informed that the Managers will process the applicant's personal data in order to manage and carry out the Subsequent Offering and the subscription from the subscriber, and to comply with statutory requirements. The data controllers who are responsible for the processing of personal data are the Managers. The processing of personal data is necessary in order to fulfil the subscription and to meet legal obligations. The Norwegian Securities Trading Act and the Anti-Money Laundering Legislation require that the Managers process and store information about clients and trades, and control and document activities. The subscriber's data will be processed confidentially, but if it is necessary in relation to the purposes, the personal data may be shared between the Managers, the company(ies) participating in the Subsequent Offering, with companies within the Managers' groups, the VPS, stock exchanges and/or public authorities. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it. If the Managers transfer personal data to countries outside the EEA, that have not been approved by the EU Commission, the Managers will make sure the transfer takes place in accordance with the legal mechanisms protecting the personal data, for example the EU Standard Contractual Clauses. As a data subject, the subscribers have several legal rights. This includes inter alia the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the subscribers will have the right to impose restrictions on the processing or demand that the information is deleted. The subscribers may also complain to a supervisory authority if they find that the Managers' processing is in breach of the law. Supplementary information on processing of personal data and the applicants' rights can be found at the Managers' respective websites.

Terms and Conditions for Payment by Direct Debiting - Securities Trading: Payment by direct debiting is a service the banks in Norway provide in cooperation. In the relationship between the payer and the payer's bank the following standard terms and conditions will apply:

- a) The service "Payment by direct debiting – securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.
- b) Costs related to the use of "Payment by direct debiting – securities trading" appear from the bank's prevailing price list, account information and/or information given by other appropriate manner. The bank will charge the indicated account for costs incurred.
- c) The authorization for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank who in turn will charge the payer's bank account.
- d) In case of withdrawal of the authorization for direct debiting, the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act, the payer's bank shall assist if the payer withdraws a payment instruction that has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.
- e) The payer cannot authorize payment of a higher amount than the funds available on the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall immediately be covered by the payer.
- f) The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorization for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorization has expired as indicated above. Payment will normally be credited the beneficiary's account between one and three working days after the indicated date of payment/delivery.
- g) If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

Overdue and missing payments: Overdue and late payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 no. 100, currently 10.75% per annum. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions of applicable law and at the discretion of the Managers, not be delivered to the subscriber. The Managers, on behalf of the Company, reserve the right, at the risk and cost of the subscriber to, at any time, cancel the subscription and to re-allocate or otherwise dispose of allocated Offer Shares for which payment is overdue, or, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares on such terms and in such manner as the Managers may decide in accordance with Norwegian law. The subscriber will remain liable for payment of the subscription amount, together with any interest, costs, charges and expenses accrued and the Managers, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

National Client Identifier and Legal Entity Identifier: In order to participate in the Subsequent Offering, subscribers will need a global identification code. Physical persons will need a so-called National Client Identifier ("NCI") and legal entities will need a so-called Legal Entity Identifier ("LEI").

NCI code for physical persons: Physical persons will need an NCI code to participate in a financial market transaction, i.e. a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11-digit personal ID (Nw: "fødselsnummer"). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Subscribers are encouraged to contact their bank for further information.

LEI code for legal entities: Legal entities will need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, and obtaining the code can take some time. Subscribers should obtain a LEI code in time for the subscription. For more information visit www.gleif.org. Further information is also included in Section 16.18 "National Client Identifier and Legal Entity Identifier" of the Prospectus.

Investment decisions based on full Prospectus: Subscribers must neither subscribe for any Offer Shares, nor acquire any Subscription Rights or Offer Shares, on any other basis than on the complete Prospectus