



# First quarter report 2025





## Norse Atlantic Airways



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

# Strong growth driven by new commercial strategy and dual ACMI/network model

## Q1 2025 headlines

- Record load factor of 95%, 51% YoY increase in passengers flown
- Average revenue per passenger in own network up 5% YoY and PRASK up 27%
- 23% increase in revenue excluding USD 28.7 million aircraft redelivery gain
- End of quarter cash balance of USD 25 million
- Successful delivery on ACMI strategy
- Pre-sales trending well above same time last year



Revenue (USD million)

**125.3**

78.2

EBITDAR (USD million)

**15.0**

(27.4)

Net profit (USD million)

**(14.9)**

(62.8)

Number of flights

**1,052**

862

Number of passengers

**304,588**

201,462

Load factor

**95%**

73%

(comparatives for numbers being Q1 2024)



## CEO, Founder and major shareholder, Bjørn Tore Larsen

**2025 has started on a positive note with a world-leading load factor of 95%, significant volume growth and increased revenue per passenger compared to the first quarter of 2024.**

The improvements across all key performance indicators are a function of Norse Atlantic Airways' new commercial strategy implemented in 2024 and continuous focus on operational efficiencies. This is reflected in improved year-over-year financial performance during a seasonally low quarter for the airline industry. Our progress and aim to deliver full year 2025 profitability are supported by the commercial strategy delivering increased load factor, the transition to a dual-leg ACMI and own network model, and ongoing cost and efficiency initiatives.

Following completion of the planned redelivery of three 787-8 aircraft, we now have a uniform fleet of 12 modern, efficient and in-demand 787-9 aircraft. These form a strong base for further improvements based on our dual leg model with ACMI charters reducing our market risk and complementing operations in own scheduled network.

The LOI for longer-term ACMI engagements with IndiGo, India's leading and one of the world's largest airlines, for up to six aircraft have become firm contracts. The contracts reinforce our

partnership with one of the world's leading airlines and strengthen our strategic and financial position in a volatile market. They also support efficiency gains through maximum utilization of the aircraft fleet, combining demand from both ACMI and own scheduled network. One aircraft commenced operations for IndiGo in March, and the rest will follow during the second half and into early 2026, subject to regulatory approvals.

This leaves Norse with 11 aircraft operating its own scheduled network during the summer ahead, whereas the longer-term fleet in own scheduled network will comprise six aircraft. We believe this represents a good balance between securing year-round fixed revenue from ACMI and maximizing the possibilities in our scheduled network.

Momentum into the upcoming busy summer months is good with bookings to date confirming the positive trend in load factor and passenger revenues.

We will continue to deliver our affordable, value-for-money product to our customers worldwide.

Sincerely,

Bjørn Tore Larsen, CEO and Founder

## Operational performance

In the first quarter of 2025, Norse achieved a load factor of 95%. The 22-percentage point increase from the same quarter of 2024 reflects the data-driven commercial strategy implemented last year.

Revenue per passenger was USD 339, up from USD 324 last year, with a slight shift from ancillary revenue toward airfare due to a re-packaging of product bundles.

The number of passengers carried in the quarter increased 51%, driven by the improved load factor, a 15% increase in ASK and 22% growth in the number of flights. Operational performance was strong with 100% percentage of the planned flights completed.

During the quarter, the Company completed the redelivery of three aircraft to the Lessor, which had been leased out and never operated by Norse. As previously announced, these resulted in a significant accounting gain.

From the second half of 2025, ACMI/charter will represent a greater share of the business, complementing the operations in the own scheduled network. During the first quarter, three aircraft operated on charter. Norse also concluded firm ACMI contracts for four aircraft with IndiGo during the period and recently announced agreements for an additional two aircraft. One aircraft commenced operations in March 2025, with the others tentatively commencing on a staggered basis from September through to early 2026.

(in thousands of USD unless otherwise stated)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Number of flights	1,052	1,196	1,813	1,531	862
- in own network	585	860	1,764	1,415	755
- ACMI/charter	467	336	49	116	107
Completion rate	100.0%	99.7%	99.3%	99.5%	100.0%
Average stage length (km)	6,288	6,426	6,948	6,744	6,686
ASK (millions)	2,236	2,599	4,275	3,501	1,948
RPK (millions)	2,122	2,386	3,668	2,869	1,421
Number of passengers	304,588	337,564	514,913	406,306	201,462
Load factor	95%	92%	86%	82%	73%
Airfare per passenger (USD)	270	269	322	296	250
Ancillary per passenger (USD)	69	74	84	84	74
Revenue per passenger (USD)	339	343	406	380	324
PRASK (US cents)	4.15	4.92	4.36	4.44	3.27
TRASK (US cents)	5.60	4.74	5.19	4.71	4.02
CASK cash adjusted (US cents)	3.75	3.63	3.05	3.20	4.05
CASK excl. fuel (US cents)	4.63	4.46	3.55	3.81	5.14
CASK (US cents)	5.84	5.73	5.08	5.34	6.76
Number of aircraft in fleet at period end	12	15	15	15	15
Number of aircraft in own operations at period end	12	12	12	12	11
Number of aircraft subleased out at period end	-	3	3	3	4
Cargo volumes (tonnes)	3,788	6,389	9,271	7,241	4,108
Cargo rate per net of commissions/direct costs (USD/ton)	947	1,031	795	617	547

## Financial performance & position

(Comparative numbers in parenthesis refers to the first quarter of 2024 unless otherwise specified)

### Statement of comprehensive income/profit/loss

Total revenue was USD 125.3 million (USD 78.2 million) in the first quarter of 2025, comprising USD 62.1 million (USD 58.2 million) of passenger revenue and USD 63.2 million (USD 20.0 million) of other revenue.

Airfare revenue was USD 49.6 million (USD 44.9 million), while ancillary passenger revenue amounted to USD 12.6 million (USD 13.3 million).

Other revenue included charter and ACMI income of USD 28.8 million (USD 7.8 million), reflecting the announced partnership with P&O Cruises for the Caribbean season and one aircraft to IndiGo from March. Other revenue also included cargo revenue of USD 3.6 million, lease rentals of USD 1.4 million and USD 28.7 million of non-recurring gain on lease modifications from the early redelivery of aircraft. The cash impact, which was a lower amount, was recognized as a netting against lease payments in 2024.

Operating expenses excluding depreciation, amortization, and aircraft leases during the Period totalled USD 110.3 million (USD 105.6 million). Personnel expenses, airport charges and handling, as well as technical maintenance costs increased with the higher activity levels. Fuel costs declined due to lower fuel prices.

(in thousands of USD)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
<b>Key profit and loss figures</b>					
Passenger revenue	62.1	90.6	207.3	147.3	58.2
Other revenue <sup>1</sup>	63.2	32.5	14.7	17.5	19.9
<b>Total Revenue</b>	<b>125.3</b>	<b>123.1</b>	<b>222.0</b>	<b>164.8</b>	<b>78.2</b>
Operating costs	(110.3)	(126.4)	(195.3)	(161.6)	(105.7)
<b>EBITDAR</b>	<b>15.0</b>	<b>(3.3)</b>	<b>26.7</b>	<b>3.2</b>	<b>(27.4)</b>
Depreciation, amortisation and variable aircraft rentals	(20.3)	(22.6)	(22.1)	(25.4)	(26.0)
<b>Operating profit/(loss) (EBIT)</b>	<b>(5.2)</b>	<b>(25.9)</b>	<b>4.6</b>	<b>(22.3)</b>	<b>(53.4)</b>
Net financial expenses	(9.6)	(9.5)	(10.8)	(9.4)	(9.4)
<b>Profit/(loss) before tax</b>	<b>(14.9)</b>	<b>(34.4)</b>	<b>(6.1)</b>	<b>(31.7)</b>	<b>(62.8)</b>
Income tax	-	-	(0.1)	(0.2)	-
<b>Profit/(loss for the period)</b>	<b>(14.9)</b>	<b>(34.5)</b>	<b>(6.3)</b>	<b>(31.9)</b>	<b>(62.8)</b>
<b>Cash flow</b>					
Cash flow from operations	30.0	19.9	32.0	0.6	3.2
Cash flow from investments	(3.6)	(5.5)	(4.0)	(6.0)	(8.9)
Cash flow from financing	(22.9)	(16.1)	(25.6)	(3.8)	(15.8)
Effect of exchange rate fluctuation	0.4)	(0.8)	0.2	-	0.3
<b>Change in cash and cash equivalents</b>	<b>3.9</b>	<b>(2.5)</b>	<b>2.7</b>	<b>(9.2)</b>	<b>(20.7)</b>
<b>Cash position at period end</b>	<b>25.0</b>	<b>22.9</b>	<b>25.3</b>	<b>23.7</b>	<b>33.2</b>

<sup>1</sup> Q1 2025 includes USD 28.7m in one-time gain from lease modification

Depreciation and amortisation of the aircraft right-to-use-assets was stable quarter on quarter. Variable aircraft rentals was nil in the quarter due to the redelivery of aircraft (USD 4.2 million).

Net financial costs include USD 9.4 million (USD 9.1 million) in accrued interest on lease liabilities.

The net loss after tax was USD 14.9 million (USD 62.8 million).

Included in the income statement are non-cash lease accounting costs of USD 3.5 million (USD 8.5 million).



### Financial position/Balance sheet

At 31 March 2025, the carrying value of right-of-use assets was USD 747.0 million (USD 877.3 million), whereas the corresponding lease liabilities were at USD 827.7 million (USD 959.7 million). The early redelivery of the three aircraft was reflected in the reduction of right-of-use assets and lease liabilities in the period.

Current assets were USD 192.6 million at period-end (USD 185.8 million). Current liabilities were USD 400.0 million (USD 311.6 million), including USD 23.0 million of debt to the two major shareholders maturing on 31 March 2026.

The book equity at 31 March 2025 was negative USD 225.4 million (negative by USD 146.5 million).

### Cash flow

Free cash and cash equivalents increased by USD 3.9 million (decrease of USD 20.7) during the quarter. The increase was a function of net cash inflow from operations of USD 30.0 million (USD 3.2 million), cash outflow to investments of USD 3.6 million (USD 8.9 million) and USD 22.9 million cash outflow to financing (USD 15.3 million).

Free cash and cash equivalents at the end of the period were USD 13.6 million (USD 18.6 million), while the total cash was USD 25.0 million (33.2 million), including USD 11.4 million in restricted cash (USD 14.6 million). The Company holds additional credit lines in the form of a shareholder loan from its largest shareholder in the amount of USD 6.3 million, which was undrawn as per adoption of this report.

## Outlook and strategy

Following redelivery of the three aircraft in early 2025, Norse has a uniform fleet of 12 commercially flexible and cost efficient 787-9 aircraft.

The Company is set to continue to benefit from attractive lease terms for the remainder of the leases, ranging from seven to 14 years, with an average duration of 10.5 years. The lease agreements are highly favorable compared to current market rates for the aircraft type and have no price or inflationary adjustments, providing Norse with a significant long-term cost advantage.

The Company is successfully implementing the revised business plan for the re-sized fleet, aiming to reduce the overall business risk through an increased share of fixed revenue from long-term ACMI charters. In March, the first aircraft commenced operations out of India, three are due to start in the second half of 2025, and the two final aircraft at latest by early 2026.

The agreements reflect a favorable market for long-term ACMI/ charters and enable Norse to reduce the market risk going forward. In addition to securing significant future revenue, it facilitates cost reductions as part of building a sustainable and profitable airline as outlined in the November 2024 strategy update.

As capacity shifts into the ACMI segment, the Company will continue to high-grade its own network, focusing on proven and profitable routes.

The new commercial strategy, introduced late last year based on data-driven demand and pricing models, has been a key driver for the increased load factor which extends into the second quarter, with 95% in April combined with 58% increase in the number of passengers with 11 aircraft operating in own scheduled network and one aircraft on ACMI.

The transition to the dual strategy business model will enable the Company to reduce the overall cost of operating a more focused own scheduled network. Norse remains focused on optimizing crew bases and crew resource utilization as part of the continuous work to deliver on the ambition of achieving the lowest cost per unit in the Transatlantic market.

Several cost measures have been implemented, including moving certain operational services from Arendal to the new office in Riga, Latvia. These will start to gradually have an impact from the second quarter of 2025. Norse expects to realize cost reductions and efficiency gains totaling approximately USD 40 million on an annual basis from 2026.

Shorter-term, pre-sales on routes out for sale is continuing to trend well above the pre-sales realized at the same time the previous year, supported by the improved marketing and sales model.

Norse Atlantic is on track for building a sustainable and profitable airline. Supported by the commercial strategy, the dual-leg ACMI and own network model, and cost and efficiency initiatives, the Company is aiming to deliver full-year 2025 profitability subject to no major shifts in customer demand and fuel prices.

## Organization

On 31 March 2025, the Company had 1,255 employees (1,110), comprising 984 airborne crew and 271 engineers, aircraft maintenance personnel and office-based employees.

The Company has its headquarters in Arendal, Norway, and has offices in Riga, Oslo Gardermoen, London Gatwick, Fort Lauderdale and Paris.





## Risks

The Company is exposed to normal risks that are associated with newly established enterprises, as well as to risks related to the airline industry. Routes, network and markets have a maturity period, and the airline market is very competitive. As such, the Company 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.

Airlines are vulnerable to small changes in demand or sales prices due to a significant share of fixed costs which cannot be scaled against other factors, such as number of tickets sold, number of passengers or flights flown. Airlines are exposed to the risk of significant loss from aviation accidents involving operations, including crashes and other disasters. Further, airlines are often affected by factors beyond their control, including pandemics, technical problems, adverse weather conditions or other natural or man-made events.

The development of the airline industry has historically been correlated to macroeconomic developments, making the industry sensitive to general business conditions, economic growth and private consumption trends. Future demand for air travel is subject to seasonal variations and can also be significantly impacted by macroeconomic factors, such as high inflation, that could have a negative impact on customers' spending behaviour. Airline fares, freight rates and passenger demand have fluctuated

significantly in the past and may fluctuate significantly in the future. 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 Company, which may have a material adverse effect on the Company's business, financial conditions, results of operations and future prospects.

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. If Norse is not able to predict variations in demand correctly, and plan its operations accordingly, the Company's flights may become subject to over or under capacity, which in turn may negatively affect its business, financial condition, income or operating result. As the Company enters into long-term wet lease/ACMI contracts, the Company's overall exposure to the risk if both seasonality and general demand is reduced. ACMI secures fixed revenue year-round and hence eliminates some of the seasonality exposure. For capacity allocated to ACMI, variable revenue is replaced with fixed revenue establishing a floor downwards but still allowing for upward potential during periods of higher capacity utilization.

Significant risk factors Norse is exposed to include, but are not limited to, exposure to global macroeconomic and geopolitical factors, airport slot constraints, interruption in IT systems, aviation incidents, changes in taxes, changes in credit card settlement terms, environmental factors, degree of commercial success expressed through achieved load factors and fares, and the

future development in jet fuel prices. Operating technically highly advanced aircraft without any unplanned disruptions also implies operations being dependant on timely access to applicable spare parts and the services of a concentrated base of key suppliers and business partners in relation to aircraft maintenance.

Currently, Norse have no fuel hedging arrangements in place and is fully exposed to jet fuel price fluctuations. Increase in jet fuel prices and any significant and prolonged adverse movements in currency exchange rates could impact the Company's earnings. The high tension in the Middle East may lead to scenarios under which there could be adverse negative effects to the fuel prices. As the Company enters into long-term wet lease/ACMI contracts, the overall exposure to fuel price fluctuations decreases as the jet fuel cost under ACMI capacity is at the expense of the customer.

As any growth company, Norse is exposed to liquidity risk. Should sales volumes decrease, jet fuel prices increase, or other operational expenses increase, this would impose an increased liquidity risk. Key to the Company's exposure to liquidity risk is also the timing of when Norse receives payment from credit card companies for tickets sold. Hold-back from the credit card companies is structured across a combination of thresholds of hold-back amounts and number of hold-back days varying with season. Any increase in hold-back amounts or extensions of hold-back days will have a negative impact on the Company's liquidity position. Going concern is described in more detail in the notes to the interim consolidated financial statements (see [Note 2](#)).

# Condensed interim financial statements

<b>Interim consolidated statement of comprehensive income</b>	11
<b>Interim consolidated statement of financial position</b>	12
<b>Interim consolidated statement of cash flow</b>	13
<b>Interim consolidated statement of changes in equity</b>	14
<b>Notes to the condensed interim consolidated financial statements</b>	15
Note 1 General information	15
Note 2 Basis of preparation	15
Note 3 Accounting policies	16
Note 4 Segment reporting and revenues	17
Note 5 Critical accounting estimates and judgements	17
Note 6 Depreciation and amortization	17
Note 7 Interest expenses	18
Note 8 Other financial income/(expenses)	18
Note 9 Aircraft and other tangible assets	18
Note 10 Trade and other receivables	18
Note 11 Cash and cash equivalents	18
Note 12 Shareholder information	19
Note 13 Lease liabilities	19
Note 14 Subsequent events	19



## Interim consolidated statement of comprehensive income

(in thousands of USD)	Notes	Q1 2025	Q1 2024	FY 2024
<b>Revenue</b>				
<b>Total Revenue</b>	<a href="#">4</a>	125,298	78,242	588,106
<b>Operating expenses</b>				
Personnel expenses		(33,840)	(27,853)	(131,701)
Fuel, oil and emission costs		(26,903)	(31,445)	(183,617)
Airport charges and handling		(12,352)	(13,975)	(94,205)
Technical maintenance		(19,081)	(17,183)	(84,629)
Other operating costs		(7,669)	(6,665)	(47,151)
Marketing and distribution costs		(6,284)	(5,164)	(31,724)
Administrative costs		(4,164)	(3,333)	(15,938)
<b>Total Operating exps excl. leases, dep &amp; amort.</b>		(110,291)	(105,617)	(588,965)
<b>Operating profit before leases, dep &amp; amort. (EBITDAR) <sup>1</sup></b>		15,007	(27,376)	(858)
Variable aircraft rentals		-	(4,238)	(8,239)
Depreciation and amortization	<a href="#">6</a>	(20,233)	(21,808)	(87,920)
<b>Operating profit/(loss)</b>		(5,225)	(53,421)	(97,017)
Interest expenses	<a href="#">7</a>	(9,439)	(9,158)	(39,019)
Other financial income/(expenses)	<a href="#">8</a>	(197)	(231)	962
<b>Profit/(loss) before tax</b>		(14,862)	(62,811)	(135,075)
Income tax		(37)	-	(379)
<b>Profit/(loss) for the period</b>		(14,899)	(62,811)	(135,454)

(in thousands of USD)	Notes	Q1 2025	Q1 2024	FY 2024
<b>Total comprehensive income:</b>				
Profit/(loss) for the period		(14,899)	(62,811)	(135,454)
Other comprehensive income		-	-	-
<b>Total comprehensive income</b>		(14,899)	(62,811)	(135,454)
Basic earnings per share (USD) <sup>2</sup>		(0.10)	(0.50)	(1.05)
Diluted earnings per share (USD) <sup>2</sup>		(0,10)	(0,50)	(1.05)

<sup>1</sup> Non-IFRS alternative measures are explained and/or reconciled in separate section of the report

<sup>2</sup> Based on average number of outstanding shares in the period

## Interim consolidated statement of financial position

(in thousands of USD)	Notes	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>Non-current assets</b>				
Tangible assets	<a href="#">9</a>	753,486	883,953	824,694
Intangible assets		2,569	3,199	2,819
Aircraft lease deposits		14,775	16,161	16,502
Other non-current assets		35,915	20,133	32,338
<b>Total non-current assets</b>		<b>806,746</b>	<b>923,446</b>	<b>876,353</b>
<b>Current assets</b>				
Credit card receivables		138,791	112,095	100,245
Trade and other receivables	<a href="#">10</a>	10,760	13,159	11,668
Inventories		5,206	3,991	4,601
Other current assets		12,829	23,289	15,468
Cash and cash equivalents	<a href="#">11</a>	24,995	33,247	22,855
<b>Total current assets</b>		<b>192,582</b>	<b>185,781</b>	<b>154,837</b>
<b>Total assets</b>		<b>999,328</b>	<b>1,109,227</b>	<b>1,031,190</b>

(in thousands of USD)	Notes	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	<a href="#">12</a>	74,596	65,910	74,596
Share premium		200,418	200,613	200,418
Other paid-in capital		687	515	588
Accumulated losses		(501,069)	(413,526)	(486,170)
<b>Total equity</b>		<b>(225,369)</b>	<b>(146,488)</b>	<b>(210,568)</b>
<b>Non-current liabilities</b>				
Lease liabilities non-current	<a href="#">13</a>	761,298	883,436	826,005
Shareholder loan		-	-	22,056
Provisions		63,358	60,711	73,830
<b>Total non-current liabilities</b>		<b>824,656</b>	<b>944,147</b>	<b>921,891</b>
<b>Current liabilities</b>				
Deferred passenger revenue		181,647	104,665	101,289
Trade and other payables		128,997	130,629	138,864
Shareholder loan		22,969	-	-
Lease liabilities current	<a href="#">13</a>	66,428	76,274	79,714
<b>Total current liabilities</b>		<b>400,041</b>	<b>311,568</b>	<b>319,868</b>
<b>Total equity and liabilities</b>		<b>999,328</b>	<b>1,109,227</b>	<b>1,031,190</b>

## Interim consolidated statement of cash flow

(in thousands of USD)	Notes	Q1 2025	Q1 2024	FY 2024
<b>Cash flows from operating activities</b>				
Profit/(loss) before tax		(14,862)	(62,811)	(135,075)
<b>Adjustments for items not affecting operating cash flows:</b>				
Depreciation and amortization	<a href="#">6</a>	20,233	21,808	87,920
Interest expenses		9,439	9,158	39,019
Interest income		(3)	(14)	(1,489)
Share based employee incentives		98	206	279
Income taxes paid		(37)	-	(379)
Gain on lease modifications		(28,726)	-	-
Provisions		2,179	1,441	8,848
<b>Net operating cash flows before working capital movements</b>		(11,678)	(30,211)	(877)
Working capital movements		41,728	33,363	56,517
<b>Net cash flows from operating activities</b>		30,050	3,151	55,640
<b>Cash flows from investing activities</b>				
Aircraft maintenance assets		(3,577)	(8,856)	(22,423)
Other investments		(17)	(28)	(1,987)
<b>Net cash flows from investing activities</b>		(3,594)	(8,884)	(24,411)

(in thousands of USD)	Notes	Q1 2025	Q1 2024	FY 2024
<b>Cash flows from financing activities</b>				
Net proceeds from share issue		-	5,813	14,304
Proceeds from Revolving Credit Facility		-	-	20,000
Lease installments		(17,917)	(14,388)	(69,161)
Movements in restricted cash		1,800	900	2,300
Net interest received/(paid)		(6,772)	(7,597)	(28,187)
<b>Net cash flows from financing activities</b>		(22,889)	(15,271)	(60,745)
Effect of foreign currency revaluation on cash		374	322	(160)
<b>Net change in free cash and cash equivalents</b>		3,940	(20,683)	(29,675)
Free cash and cash equivalents at the beginning of the period		9,655	39,330	39,330
<b>Free cash and cash equivalents at the end of the period</b>		13,595	18,647	9,655
Restricted cash at the end of the period	<a href="#">11</a>	11,400	14,600	13,200
<b>Cash and cash equivalents at the end of the period</b>	<a href="#">11</a>	24,995	33,247	22,855

## Interim consolidated statement of changes in equity

(in USD thousands except for number of shares and value per share)

	Number of shares	Share capital	Share premium	Other paid-in capital	Accumulated losses	Total equity
Balance as at 1 Jan 2025	147,802,416	74,596	200,418	588	(486,170)	(210,568)
Profit/(loss) for the period	-	-	-	-	(14,899)	(14,899)
Other comprehensive income for the period	-	-	-	-	-	-
<b>Other changes in equity</b>						
Share based employee incentives	-	-	-	98	-	98
<b>Balance at 31 Mar 2025</b>	147,802,416	74,596	200,418	687	(501,069)	(225,368)
Balance as at 1 Jan 2024	122,211,579	62,954	197,756	309	(350,716)	(89,697)
Profit/(loss) for the period	-	-	-	-	(62,811)	(62,811)
Other comprehensive income for the period	-	-	-	-	-	-
<b>Other changes in equity</b>						
2 February 2024, share issue at USD 1.03 (NOK 11.00) per share	6,312,261	2,955	2,858	-	-	5,814
Share-based payments to employees	-	-	-	206	-	206
<b>Balance at 31 Mar 2024</b>	128,523,840	65,909	200,614	515	(413,526)	(146,488)
Balance as at 1 Jan 2024	122,211,579	62,954	197,756	309	(350,716)	(89,697)
Profit/(loss) for the period	-	-	-	-	(135,454)	(135,454)
Other comprehensive income for the period	-	-	-	-	-	-
<b>Other changes in equity</b>						
2 February 2024, share issue at USD 1.03 (NOK 11.00) per share	6,312,261	2,955	2,858	-	-	5,814
6 December 2024, share issue at USD 0.45 (NOK 5.00) per share	19,278,576	8,686	(196)	-	-	8,490
Share-based payments to employees	-	-	-	279	-	279
<b>Balance at 31 Dec 2024</b>	147,802,416	74,596	200,418	588	(486,170)	(210,568)

# Notes to the condensed interim consolidated financial statements

## Note 1 General information

These interim condensed consolidated financial statements of Norse Atlantic ASA (“Norse”, “Norse Atlantic Airways” or the “Company”) were authorized for issue in accordance with a resolution of the Board of Directors passed on 20 May 2025.

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

Norse is a new affordable long-haul airline established in 2021 that serves the transatlantic market with modern, fuel-efficient Boeing 787 Dreamliner’s. Norse commenced its commercial operations on 14 June 2022 and currently serves the destinations New York, Miami, Orlando, Las Vegas, Los Angeles, Cape Town, Berlin, London, Paris, Rome, Athens, Bangkok, Stockholm and Oslo.

## Note 2 Basis of preparation

### 2.1 General

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” as adopted by the European Union (the “EU”) and additional requirements in the Norwegian Securities Trading Act. They do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 31 December 2024 as published and available at the Company’s website [www.flynorse.com](http://www.flynorse.com). In the interim consolidated financial statements, the first quarter (Q1) as the one starting on 1 January and ending 31 March. The period 2024 is defined as the reporting period from 1 January to 31 December. For this interim period the Company presents the first quarter of 2024 as a period of comparable information, and the Company’s commentary on the financial development refers to that same quarter. All amounts are presented in USD thousands unless otherwise stated. These interim financial statements are unaudited.

## 2.2 Going concern

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

Being an airline in its build-up phase, the Company has incurred losses over the first periods of operation, and as at 31 March 2025 the reported equity is negative USD 225.4 million.

The Company's total cash position as at 31 March 2025 is USD 25.0 million. In addition to this, the Company holds additional credit lines in the form of a revolving credit facility with the largest shareholder in the nominal amount of USD 6.3 million, being undrawn as at 31 March 2025 as well as per 20 May 2025.

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

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

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

Specifically, the Company also is in a position of owing an amount of approximately USD 18 million of historic and overdue passenger taxes to the US Internal Revenue Service (IRS), whereas current tax payments are serviced as they fall due. The US IRS has mechanisms of downpayment of such overdue taxes, under which individual agreements must be entered into. The Company already has started paying down overdue taxes and has proactively entered into a dialogue with the US IRS aiming at establishing a formal plan of downpayment.

There are several uncertainties affecting the financial position of the Company. This includes but is not limited to factors such as the commercial success of the Company during the winter season, the future development in jet fuel prices, the applied holdback mechanisms of credit card acquirers, the outcome of a downpayment plan to be established with the US IRS for the overdue US passenger taxes, as well as general operational risks. On the other hand, there is upside potential on the commercial and financial performance of the Company's own scheduled network, whereas pre-sales on routes out for sale is trending well above the pre-sales realized at the same time the previous year.

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

## Note 3 Accounting policies

The accounting policies applied by the Company in these condensed interim consolidated financial statements are consistent with those applied in the audited consolidated financial statements for the year ended 31 December 2024. Refer to [Note 2](#) Basis of preparation and significant accounting policies in the Annual Report for information on the Company's accounting policies.



## Note 4 Segment reporting and revenues

The Company's chief operating decision maker currently reviews the Company's activities on a consolidated basis as one operating segment.

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Airfare passenger revenue	49,562	44,919	395,249
Ancillary passenger revenue	12,569	13,329	108,200
<b>Total passenger revenues</b>	62,132	58,248	503,449
Cargo	3,586	2,248	20,678
<b>Total own flights</b>	65,718	60,496	524,127
Lease income	1,431	7,122	18,805
Charter and ACMI	28,761	7,753	37,144
Other revenue	29,389	2,870	8,031
<b>Total Operating Revenue</b>	125,298	78,242	588,106

Airfare passenger revenue comprises only ticket revenue, while ancillary passenger revenue consists of other passenger related revenue than ticket revenue. Lease income is revenue from subleasing of aircrafts. Other revenue consists of revenue from maintenance services provided the Company's technical personnel to third parties.

Included in Other revenue of the Period, is a gain on lease modifications of USD 28.7 million, stemming from the early redeliveries of three Boeing 787-8 aircraft.

## Note 5 Critical accounting estimates and judgements

Preparation of the Company's consolidated financial statements requires management and the board to make estimates, judgements and assumptions that affect the reported amount of revenue, expenses, assets and liabilities, as well as the accompanying disclosures. Uncertainty about these estimates, judgements and assumptions could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods.

The key estimates, judgements and assumptions used by the management in preparation of these interim condensed consolidated financial statements were the same as those applied in preparation of the audited consolidated financial statements for the year ended 31 December 2024.

## Note 6 Depreciation and amortization

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Depreciation of right-of-use assets	19,681	21,315	85,670
Depreciation of other tangible assets	284	291	1,314
Amortization of intangible assets	268	202	936
<b>Total</b>	20,233	21,808	87,920

**Note 7 Interest expenses**

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Lease liabilities interest expense	8,377	9,110	36,061
Other interest expense	1,063	49	2,958
<b>Total</b>	<b>9,439</b>	<b>9,159</b>	<b>39,019</b>

**Note 8 Other financial income/(expenses)**

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Other financial income/(expense)	3	14	1,489
Foreign exchange gains	433	695	820
Foreign exchange losses	(633)	(940)	(1,347)
<b>Total</b>	<b>(197)</b>	<b>(231)</b>	<b>962</b>

**Note 9 Aircraft and other tangible assets**

(In thousands of USD)	31 Mar 2025	31 Mar 2024	31 Dec 2024
Aircraft Right-of-Use assets	746,381	877,241	817,179
Aircraft rotatable inventory	5,729	5,967	6,035
Other Right-of-Use assets	630	77	671
Other tangible assets	746	668	809
<b>Total</b>	<b>753,486</b>	<b>883,953</b>	<b>824,694</b>

**Note 10 Trade and other receivables**

(in thousands of USD)	31 Mar 2025	31 Mar 2024	31 Dec 2024
Trade receivables	8,390	9,978	8,976
Other receivables	2,370	3,181	2,692
<b>Total</b>	<b>10,760</b>	<b>13,159</b>	<b>11,668</b>

**Note 11 Cash and cash equivalents**

(in thousands of USD)	31 Mar 2025	31 Mar 2024	31 Dec 2024
USD	20,580	29,084	19,339
NOK	1,028	1,545	1,542
GBP	1,472	1,809	1,462
EUR	1,869	772	475
THB	46	36	36
<b>Total cash and cash equivalents</b>	<b>24,995</b>	<b>33,247</b>	<b>22,855</b>
Hereof restricted cash			
USD	11,400	14,600	13,200

## Note 12 Shareholder information

Shareholders of the Company as of 31 March 2025.

Name	Number of shares	Ownership	Voting rights
B T Larsen & Co Limited	43,549,801	29.5%	29.5%
Scorpio Holdings Limited	26,083,805	17.6%	17.6%
Songa Capital AS	4,461,330	3.0%	3.0%
Fender Eiendom AS	3,456,606	2.3%	2.3%
UBS Switzerland AG	3,431,523	2.3%	2.3%
MH Capital AS	2,894,684	2.0%	2.0%
Société Générale	2,304,925	1.6%	1.6%
Alto Holding AS	2,111,147	1.4%	1.4%
Vicama AS	2,000,000	1.4%	1.4%
Skandinaviska Enskilda Banken AB	1,746,233	1.2%	1.2%
Tigerstaden Invest AS	1,466,859	1.0%	1.0%
UBS AG	1,400,613	0.9%	0.9%
Livermore Invest AS	1,210,394	0.8%	0.8%
Tore Gården	1,078,468	0.7%	0.7%
Alden AS	1,023,381	0.7%	0.7%
UBS Financial Services Inc	1,000,000	0.7%	0.7%
Kai Vidar Kvade	1,000,000	0.7%	0.7%
Maximus Invest AS	1,000,000	0.7%	0.7%
Pure AS	997,302	0.7%	0.7%
Valløløkken AS	965,776	0.7%	0.7%
Top 20 shareholders	103,182,847	69.8%	69.8%
Other shareholders	44,619,569	30.2%	30.2%
<b>Total number of shares</b>	<b>147,802,416</b>	<b>100.0%</b>	<b>100.0%</b>

## Note 13 Lease liabilities

(in thousands of USD)	YTD 2025	YTD 2024	FY 2024
Opening balance	905,719	973,827	973,827
Additions during the period	-	81	834
Interest accrued	6,625	7,865	30,903
Installments and interest payments	(24,542)	(22,062)	(99,845)
Lease modifications	(60,076)	-	-
<b>Closing balance</b>	<b>827,726</b>	<b>959,710</b>	<b>905,719</b>
Of which			
Due within 12 months	66,428	76,274	79,714
Due after 12 months	761,298	883,436	826,005

By the end of the Period, Norse has a fleet of 12 leased Boeing 787-9 Dreamliners, all under fully fixed lease payments. During the Period, the Company early redelivered the three subleased Boeing 787-8 aircraft, hereof two in February and one in March.

## Note 14 Subsequent events

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

# Alternative performance measures

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

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

APM	Description
CASK (excluding 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
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
Own network	Network of Company’s own scheduled flights, excluding all ACMI and Charter flights

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

**Revenue per passenger**

	Q1 2025	Q1 2024	FY 2024
Airfare passenger revenue - USD thousands	49,562	44,919	395,249
Number of passengers in own network	183,306	179,879	1,342,434
<b>Airfare per passenger - USD</b>	270	250	294
Ancillary passenger revenue - USD thousands	12,569	13,329	108,200
Number of passengers in own network	183,306	179,879	1,342,434
<b>Ancillary per passenger - USD</b>	69	74	81
<b>Revenue per passenger - USD</b>	339	324	375

**PRASK**

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Total passenger revenue	62,132	58,248	503,449
Available seat kilometres in own network (millions)	1,498	1,783	11,391
<b>PRASK - US Cents</b>	4.15	3.27	4.42

**TRASK**

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Total operating revenue	125,298	78,242	588,106
Available seat kilometres (millions)	2,236	1,948	12,323
<b>TRASK - US Cents</b>	5.60	4.02	4.77

**CASK (cash adjusted)**

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Operating profit/(loss)	(5,225)	(53,421)	(97,017)
Add-back			
Revenue	(125,298)	(78,242)	(588,106)
Fuel, oil and emissions costs	26,903	31,445	183,617
Depreciation of right-of-use assets	19,681	21,315	85,670
Cost (adj.) sub-total	83,940	78,904	415,837
Available seat kilometres (millions)	2,236	1,948	12,323
<b>CASK (cash adjusted) - US Cents</b>	3.75	4.05	3.37

**CASK (excluding fuel)**

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Operating profit/(loss)	(5,225)	(53,421)	(97,017)
Add-back:			
Revenue	(125,298)	(78,242)	(588,106)
Fuel, oil and emissions costs	26,903	31,445	183,617
Cost (adj.) sub-total	103,621	100,218	501,507
Available seat kilometres (millions)	2,236	1,948	12,323
<b>CASK (excl. fuel) - US Cents</b>	<b>4.63</b>	<b>5.14</b>	<b>4.07</b>

**CASK**

(in thousands of USD)	Q1 2025	Q1 2024	FY 2024
Operating profit/(loss)	(5,225)	(53,421)	(97,017)
Add-back:			
Revenue	(125,298)	(78,242)	(588,106)
Cost sub-total	130,524	131,663	685,124
Available seat kilometres (millions)	2,236	1,948	12,323
<b>CASK - US Cents</b>	<b>5.84</b>	<b>6.76</b>	<b>5.56</b>



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