



Third 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.

Business transition on track, Q3 impacted by soft market and non-recurring costs



Q3 2025 headlines

- Record revenue and passengers carried
- Load factor above 90% for four straight quarters
- Transition to dual strategy progressing on plan
- Transatlantic market softness reflected in ticket prices
- Maintenance incident and other non-recurring costs impacting profitability
- Financial position and shareholder base strengthened via convertible bond and equity issue

Revenue adj. (USD million)

229.7

222.0

EBITDAR (USD million)

21.4

26.7

EBIT (USD million)

2.7

4.6

Flights

1,842

1,813

Passengers

573,433

514,913

Load factor

95%

86%

Q3 2025 revenue adjusted for insurance claim proceeds.
Comparative figures for Q3 2024



CEO, Founder and major shareholder, Bjørn Tore Larsen

A year ago, we set a new course for Norse Atlantic based on a data-driven commercial strategy, a plan to realize operational efficiencies and a transition to a dual ACMI and own network model with reduced risk, more stable revenues and high-grading of the routes we fly.

Since then, we have delivered four consecutive quarters with load factors above 90%, record passenger volumes and improved financial performance.

Nevertheless, we still have challenges to address and room to improve amid tough competition on core Transatlantic routes, negative operational events and cost inflation affecting across the airline industry.

Our fleet of 12 modern, efficient Boeing 787-9 Dreamliners form a strong base for delivering those improvements as Norse Atlantic transitions to the dual strategy model with ACMI charters reducing market risk and complementing own scheduled network.

We are progressing to plan with five aircraft delivered to IndiGo at end-November, with the final one set for transfer in early 2026. Then, we will have a balanced portfolio with six aircraft on ACMI charters and six in own scheduled network. The predictable ACMI revenue and cash flow will strengthen our strategic and financial position as we optimize our own network, flying routes with maximum passenger and fare potential.

This is already reflected in our winter program, where we increase the number of routes from Europe to Asia and Africa to tap into seasonally stronger demand. Our operations are further complemented by charter flights for P&O Cruises, transporting cruise passengers from the UK to the Caribbean from November through to March.

Next summer, we have a focused program between Europe and the U.S., based on routes with proven strong demand and higher ticket prices. We also look forward flying football fans to and from 2026 FIFA World Cup.

We are now fully focused on implementing our dual strategy business model in line with our ambition of delivering material cash flow and long-term value creation for our shareholders.

Sincerely,

Bjørn Tore Larsen, CEO and Founder

Operational performance

In the third quarter of 2025, Norse achieved a load factor of 95%. This was the fourth consecutive quarter with the load factor exceeding 90%. The 9-percentage point increase from the same quarter of 2024 reflects the data-driven commercial strategy implemented last year.

Revenue per passenger was USD 395, compared to USD 406 last year. The reduction reflects lower ancillary revenue due to repack-aging of airfare bundles and general pricing pressure experienced in the trans-Atlantic market during the quarter.

The number of passengers carried in the quarter increased 11% year-over-year, driven by the improved load factor and a 10% increase in ASK. Operational performance was strong, with 99.2% of the planned flights completed.

With the second aircraft delivered to Indigo in September, ACMI/ charter activity increased during the quarter, complementing operations in the own scheduled network. A further four aircraft are scheduled to commence operations for Indigo on a staggered basis during the fourth quarter of 2025 through to early 2026. This follows the signing of ACMI contracts for a total of six aircraft to Indigo earlier this year.

(in thousands of USD unless otherwise stated)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Number of flights	1,842	1,731	1,052	1,196	1,813
- in own network	1,670	1,542	585	860	1,764
- ACMI/charter	172	189	467	336	49
Completion rate	99.2%	99.9%	100.0%	99.7%	99.3%
Average stage length (km)	7,560	7,017	6,288	6,426	6,948
ASK (millions)	4,707	4,106	2,236	2,599	4,275
RPK (millions)	4,457	3,968	2,122	2,386	3,668
Number of passengers	573,433	553,086	304,588	338,564	514,913
Load factor	95%	97%	95%	92%	86%
Airfare per passenger (USD)	324	299	270	269	322
Ancillary per passenger (USD)	72	73	69	74	84
Revenue per passenger (USD)	395	372	339	343	406
PRASK (US cents)	4.91	4.78	4.15	4.36	4.92
TRASK (US cents)	4.88	4.93	5.60	4.74	5.19
CASK cash adjusted (US cents)	3.05	3.01	3.75	3.63	3.05
CASK excl. fuel (US cents)	3.44	3.45	4.63	4.46	3.55
CASK (US cents)	4.82	4.83	5.84	5.73	5.08
Number of aircraft in fleet at period end	12	12	12	15	15
Number of aircraft in own network at period end	12	12	12	12	12
Number of aircraft subleased out at period end	-	-	-	3	3
Cargo volumes (tonnes)	9,311	8,160	3,788	6,389	9,271
Cargo rate net of commissions (USD/ton)	879	1,058	947	1,031	795

Financial performance & position

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

Statement of comprehensive income/profit/loss

Total revenue was USD 249.8 million (USD 222.0 million) in the third quarter of 2025, comprising USD 210.5 million of passenger revenue (USD 207.3 million) and USD 39.3 million of other revenue (USD 14.7 million).

Airfare revenue was USD 172.4 million (USD 164.6 million), while ancillary passenger revenue amounted to USD 38.1 million (USD 42.8 million).

Other revenue in third quarter included USD 20.1 million received from insurance claims (nil, same quarter last year), in addition to charter and ACMI income of USD 10.0 million (USD 2.8 million), cargo revenue of USD 8.2 million (USD 7.4 million) and revenue from other services of USD 0.8 million (USD 1.4 million).

The insurance claim proceeds relate to major overhaul of two aircraft engines due to damage during on-ground testing.

Operating expenses excluding depreciation, amortization, and aircraft leases during the period totalled USD 228.4 million (USD 195.3 million), including USD 20.1 million of operating expenses reimbursed by insurance claim proceeds. The operating expenses also included around USD 9 million of non-recurring

(in thousands of USD)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Key profit and loss figures					
Passenger revenue	210.5	187.0	62.1	90.6	207.3
Other revenue ¹	39.3	15.6	63.2	32.5	14.7
Total revenue	249.8	202.6	125.3	123.1	222.0
Operating costs	(228.4)	(179.5)	(110.3)	(126.4)	(195.3)
EBITDAR	21.4	23.1	15.0	(3.3)	26.7
Depreciation, amortisation and variable aircraft rentals	(18.7)	(18.7)	(20.2)	(22.6)	(22.1)
Operating profit/(loss)(EBIT)	2.7	4.4	(5.2)	(25.9)	4.6
Net financial expenses	(10.5)	(9.9)	(9.6)	(8.5)	(10.8)
Profit/(loss) before tax	(7.8)	(5.5)	(14.9)	(34.4)	(6.1)
Income tax	-	(0.4)	-	-	(0.2)
Profit/(loss) for the period	(7.8)	(5.9)	(14.9)	(34.5)	(6.3)
Key cash flow figures					
Cash flow from operations	7.7	27.5	30.0	19.9	32.0
Cash flow from investments	(5.7)	(4.9)	(3.6)	(5.5)	(4.0)
Cash flow from financing	(2.5)	(24.3)	(22.9)	(16.1)	(25.6)
Effect of foreign currency revaluation on cash	-	0.4	0.4	(0.8)	0.2
Net change in free cash and cash equivalents	(0.5)	(1.3)	3.9	(2.5)	2.7
Cash and cash equivalents at period end	25.5	23.6	25.0	22.9	25.3

¹ Q1 2025 includes USD 28.7m in one-time gain from lease modification

items related to operational incidents and backdated airborne personnel salaries.

Personnel expenses were higher due to increase in wages and allowances paid to airborne personnel following CBA negotiations, as well as a 12% increase in the number of airborne employees.

Personnel expenses also included USD 1.6 million of CBA-related back-dated pay for the first nine months of 2025 and approximately USD 2 million related to training for the IndiGo ACMI charters. These non-recurring costs were fully expensed in the quarter.

Airport charges, handling and other flight-related costs were up year-over-year, reflecting higher activity levels, but declined on a per-unit basis due to improved operational efficiency.

Technical maintenance costs include around USD 25 million in extra ordinary costs during the quarter, of which USD 20 million were reimbursed by insurance claims.

A continued focus on reducing overhead expenses resulted in a 47% reduction of marketing and distribution costs, as well as a 23% reduction in general and administrative expenses.

Foreign exchange movements negatively impacted personnel expenses by approximately 10% and other operating expenses by approximately 4%, driven by a weaker USD relative to key operating cost currencies, including GBP, NOK, and EUR.

Depreciation and amortization of the aircraft right-to-use-assets decreased year-over-year following the re-delivery of three leased aircraft during the first quarter.

Net financial expenses were USD 10.5 million (USD 10.8 million), mainly consisting of interest on lease liabilities.

The net loss after tax was USD 7.8 million (USD 6.3 million).

Included in the income statement are non-cash lease accounting costs of USD 2.6 million (USD 4.1 million).

Financial position/Balance sheet

At 30 September 2025, the carrying value of right-of-use assets was USD 713.8 million (USD 836.6 million), whereas the corresponding lease liabilities were at USD 794.9 million (USD 924.8 million). Other non-current liabilities included interest-bearing debt of USD 34.9 million (nil, same quarter end last year) following the issue of convertible bonds in the quarter and a reclassification of shareholder loans. Aircraft maintenance provisions were USD 72.6 million (USD 68.7 million).

Current assets were USD 151.8 million at period-end (USD 180.9 million). Current liabilities were USD 338.0 million (USD 341.2 million), including interest-bearing debt of USD 13.9 million (USD 21.3 million).

The book equity at 30 September 2025 was negative USD 237.9 million (negative by USD 184.5 million).

Cash flow

Free cash and cash equivalents decreased by USD 0.5 million (increase of USD 2.7 million) during the quarter. Cash inflow from operations was USD 7.7 million (USD 32.0 million), cash outflow to investments was USD 5.7 million (USD 4.0 million) and net cash outflow to financing activities was USD 2.5 million (USD 25.6 million).

Cash flow from operations was negatively impacted by working capital movements due to high seasonal activity levels, as well as part of the insurance claim proceeds remaining outstanding at the end of the quarter.

Cash inflow from financing activities included USD 27.4 million net proceeds from the issue of USD 30 million 8.5% convertible bonds, maturing in September 2027 and USD 13.9 million from the bank overdraft facility. The proceeds from convertible bonds were partly used to settle USD 17.2 million of shareholder loans.

Free cash and cash equivalents at the end of the period were USD 11.7 million (USD 12.1 million), while the total cash was USD 25.5 million (USD 25.3 million), including USD 13.8 million in restricted cash (USD 13.2 million). The Company has a USD 20 million bank overdraft facility, of which USD 13.9 million was drawn and the remaining USD 6.1 million was available as at 30 September 2025.

Subsequent events

On 27 October 2025, Norse Atlantic completed a NOK 113.7 million private placement towards selected strategic investors, further widening the international shareholder base, as well as the Company’s two largest shareholders, B T Larsen & Co and Songa Capital AS. The subscription price was set at market price of NOK 7.6938 per share, equal to the volume weighted average price over the three last trading days prior to the private placement. As a result, the Company issued 14,780,242 new shares with gross proceeds equivalent to approximately USD 11 million. The total number of shares issued and outstanding is 162,582,658 with a nominal value per share of NOK 0.50.

Outlook and strategy

Norse has a uniform fleet of 12 commercially flexible and cost-efficient Boeing 787-9 Dreamliners on attractive lease terms ranging from 7 to 12 years, with an average duration of 10 years. The lease agreements are highly favorable compared to current market rates for equivalent aircraft and have no price or inflationary adjustments, providing Norse with a significant long-term cost advantage.

The Company is successfully implementing its business plan aimed at reducing the overall business risk through an increased share of fixed revenue from long-term ACMI and charter contracts. At 30 September 2025, two aircraft had commenced operations for Indigo under a long-term ACMI contract and three more have been delivered in October and November. The last aircraft is planned to be delivered to Indigo during early 2026. The Company will also operate flights under a charter agreement with P&O Cruises during the 2025/26 and 2026/27 winter seasons.

As capacity shifts into the ACMI segment, the Company will continue to high-grade its own network, focusing on proven and profitable routes. The data-driven commercial strategy, introduced late last year, will be continuously refined to optimize

load factor and pricing. Initial booking data confirm the potential from network high grading with improved load factor and increased ticket prices for the “Winter Sun” program flights between Europe and Asia and South Africa in the October 2025 to April 2026 period.

Crew bases and crew resource utilization will be further optimized as part of the continuous work to deliver the lowest cost per unit in the Transatlantic market. Norse is well underway to reduce corporate overhead and marketing costs significantly. Overall, cost reductions and efficiency gains are expected to reach approximately USD 40 million on an annual basis from 2026.

Norse Atlantic is currently in a transitional phase with the hand-over of the remaining aircraft to IndiGo impacting uptime and production. Follow-on effects of the engine damage during maintenance have reduced fleet uptime into the fourth quarter.

Norse has a clear strategy to build a successful and profitable long-haul airline providing affordable travel and a great end-user product. The support from new investors in the past few months has strengthened the financial platform to deliver on that strategy.

The Company started 2025 with the ambition of delivering full year profitability subject to stable customer demand. The softer Transatlantic demand in the second half and non-recurring operational expenses mean this ambition will not be realized.

Early next year, the transition to the dual strategy business model will be completed. The ACMI and charter contracts offer stability, profitability and payment terms that positively impact working capital. Furthermore, a focused and high-graded own network is expected to provide the foundation for long-term profitable operations, strong cash generation and shareholder value creation.

Organization

On 30 September 2025, the Company had 1,321 employees (1,191), comprising 1,071 airborne crew and 250 engineers, aircraft maintenance personnel and office-based employees.

The Corporate Headquarters is in Arendal, with the Operational Headquarters in Riga. Other offices are located in Oslo Gardermoen, London Gatwick, Fort Lauderdale, and Paris.



Risks

The Company is exposed to 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.

The Company is 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 of 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.

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 an adverse effect on the Company's cash flow and liquidity position, potentially effecting its ability to manage its financial obligations. Going concern is described in more detail in the notes to the interim consolidated financial statements (refer to [Note 2](#)).

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. The long-term ACMI contracts entered into will reduce the overall exposure to fuel price fluctuations, as the jet fuel cost under ACMI contracts is at the expense of the customer.

Condensed interim financial statements



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Interim consolidated statement of comprehensive income

(in thousands of USD)	Notes	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Revenue						
Total Revenue	4	249,830	221,987	577,710	464,988	588,106
Operating expenses						
Personnel expenses		(44,920)	(36,837)	(117,368)	(96,911)	(131,701)
Fuel, oil and emission costs		(65,192)	(65,512)	(148,513)	(150,515)	(183,617)
Airport charges and handling		(39,733)	(35,183)	(84,668)	(77,590)	(94,205)
Technical maintenance		(55,962)	(28,165)	(102,337)	(65,010)	(84,629)
Other operating costs		(14,875)	(16,744)	(36,330)	(36,118)	(47,151)
Marketing and distribution costs		(4,660)	(8,863)	(17,805)	(25,275)	(31,724)
Administrative costs		(3,085)	(4,003)	(11,150)	(11,111)	(15,938)
Total Operating exps excl. leases, dep & amort.		(228,427)	(195,309)	(518,170)	(462,528)	(588,965)
Operating profit before leases, dep & amort. (EBITDAR) ¹		21,403	26,678	59,540	2,461	(858)
Variable aircraft rentals						
		-	(182)	-	(7,952)	(8,239)
Depreciation and amortization	6	(18,708)	(21,882)	(57,660)	(65,606)	(87,920)
Operating profit/(loss)		2,695	4,614	1,880	(71,097)	(97,017)
Interest expenses						
	7	(10,093)	(9,941)	(29,473)	(28,993)	(39,019)
Other financial income/(expenses)	8	(397)	(818)	(546)	(550)	962
Profit/(loss) before tax		(7,796)	(6,145)	(28,139)	(100,640)	(135,075)
Income tax						
		(8)	(149)	(485)	(341)	(379)
Profit/(loss) for the period		(7,804)	(6,294)	(28,625)	(100,981)	(135,454)

(in thousands of USD)	Notes	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Total comprehensive income						
Profit/(loss) for the period		(7,804)	(6,294)	(28,625)	(100,981)	(135,454)
Other comprehensive income		-	-	-	-	-
Total comprehensive income		(7,804)	(6,294)	(28,625)	(100,981)	(135,454)
Basic earnings per share (USD) ²						
		(0.05)	(0.05)	(0.19)	(0.80)	(1.05)
Diluted earnings per share (USD) ²		(0.05)	(0.05)	(0.19)	(0.80)	(1.05)

¹ Non-IFRS alternative measures are explained and/or reconciled in separate section of the report
² Based on average number of outstanding shares in the period

Interim consolidated statement of financial position

(in thousands of USD)	Notes	30 Sep 2025	30 Sep 2024	31 Dec 2024
Non-current assets				
Tangible assets	9	719,891	842,994	824,694
Intangible assets		2,244	3,081	2,819
Aircraft lease deposits		14,934	16,388	16,502
Other non-current assets		46,177	28,132	32,338
Total non-current assets		783,246	890,595	876,353
Current assets				
Credit card receivables		83,769	124,939	100,245
Trade and other receivables	10	25,464	11,501	11,668
Inventories		5,639	5,009	4,601
Other current assets		11,406	14,149	15,468
Cash and cash equivalents	11	25,514	25,348	22,855
Total current assets		151,792	180,946	154,837
Total assets		935,038	1,071,541	1,031,190

(in thousands of USD)	Notes	30 Sep 2025	30 Sep 2024	31 Dec 2024
Equity and liabilities				
Equity				
Share capital	12	7,460	65,910	74,596
Share premium		-	200,613	200,418
Other paid-in capital		1,136	682	588
Accumulated losses		(246,466)	(451,697)	(486,170)
Total equity		(237,870)	(184,491)	(210,568)
Non-current liabilities				
Lease liabilities non-current	13	727,477	846,122	826,005
Interest-bearing debt	14	34,899	-	22,056
Provisions		72,561	68,670	73,830
Total non-current liabilities		834,937	914,791	921,891
Current liabilities				
Deferred passenger revenue		84,189	73,120	101,289
Interest-bearing debt current	14	13,863	21,291	-
Trade and other payables		172,453	168,131	138,864
Lease liabilities current	13	67,466	78,698	79,714
Total current liabilities		337,971	341,240	319,868
Total equity and liabilities		935,038	1,071,541	1,031,190

Interim consolidated statement of cash flow

(in thousands of USD)	Notes	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Cash flows from operating activities						
Profit/(loss) before tax		(7,796)	(6,145)	(28,139)	(100,640)	(135,075)
Adjustments for items not affecting operating cash flows						
Depreciation and amortization	6	18,708	21,882	57,660	65,606	87,920
Interest expenses		10,093	9,941	29,473	28,993	39,019
Interest income		(164)	(4)	(561)	(632)	(1,489)
Share based employee incentives		80	(1)	266	373	279
Income taxes paid		(8)	(149)	(485)	(341)	(379)
Gain on lease modifications		-	-	(28,726)	-	-
Provisions		3,487	2,647	8,090	6,615	8,848
Net operating cash flows before working capital movements		24,400	28,171	37,578	(25)	(877)
Working capital movements		(16,702)	3,871	27,645	35,780	56,517
Net cash flows from operating activities		7,698	32,042	65,223	35,754	55,640
Cash flows from investing activities						
Aircraft maintenance assets		(5,427)	(3,797)	(13,838)	(18,217)	(22,423)
Other investments		(281)	(219)	(386)	(682)	(1,987)
Net cash flows from investing activities		(5,708)	(4,016)	(14,225)	(18,899)	(24,411)

(in thousands of USD)	Notes	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Cash flows from financing activities						
Net proceeds from share issue		-	-	-	5,813	14,304
Proceeds from convertible bonds	14	27,377	-	27,377	-	-
Shareholder loan	14	(17,181)	-	(17,181)	20,000	20,000
Bank overdraft facility	14	13,863	-	13,863	-	-
Lease installments		(16,353)	(18,781)	(50,701)	(50,032)	(69,161)
Movements in restricted cash		(2,400)	1,000	(600)	2,300	2,300
Net interest received/(paid)		(7,804)	(7,779)	(22,476)	(22,710)	(28,187)
Net cash flows from financing activities		(2,498)	(25,560)	(49,718)	(44,628)	(60,745)
Effect of foreign currency revaluation on cash		(23)	215	780	592	(160)
Net change in free cash and cash equivalents		(531)	2,682	2,059	(27,182)	(29,675)
Free cash and cash equivalents at the beginning of the period		12,245	9,466	9,655	39,330	39,330
Free cash and cash equivalents at the end of the period		11,714	12,148	11,714	12,148	9,655
Restricted cash at the end of the period	11	13,800	13,200	13,800	13,200	13,200
Cash and cash equivalents at the end of the period	11	25,514	25,348	25,514	25,348	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	-	-	-	-	(28,625)	(28,625)
Other comprehensive income for the period	-	-	-	-	-	-
21 August 2025, reduction in nominal value of shares from NOK 5.00 to NOK 0.50	-	(67,136)	(200,418)	(774)	268,328	-
Equity component of convertible bonds (refer to Note 14)				1,056		1,056
Other changes in equity						
Share based employee incentives	-	-	-	266	-	266
Balance at 30 Sep 2025	147,802,416	7,460	-	1,136	(246,466)	(237,870)
Balance as at 1 Jan 2024	122,211,579	62,954	197,756	309	(350,716)	(89,697)
Profit/(loss) for the period	-	-	-	-	(100,981)	(100,981)
Other comprehensive income for the period	-	-	-	-	-	-
Other changes in equity						
2 February 2024, share issue at USD 1.03 (NOK 11.00) per share	6,312,261	2,955	2,858	-	-	5,814
Share-based payments to employees	-	-	-	373	-	373
Balance at 30 Sep 2024	128,523,840	65,909	200,614	682	(451,697)	(184,491)
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	-	-	-	-	-	-
Other changes in equity						
2 February 2024, share issue at USD 1.03 (NOK 11.00) per share	6,312,261	2,955	2,858	-	-	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
Balance at 31 Dec 2024	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 25 November 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, the US, Latvia, Greece and Cyprus.

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, Los Angeles, Cape Town, Berlin, London, Paris, Rome, Athens, Bangkok, Phuket, Manchester, 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. In these interim consolidated financial statements, the third quarter (Q3) is the period starting on 1 July and ending on 30 September. The period 2024 is defined as the reporting period from 1 January to 31 December. For this interim period the Company presents the third 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 interim 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 30 September 2025 the reported equity is negative USD 237.9 million.

The Company's total cash balance as at 30 September 2025 is USD 25.5 million. In addition to this, the Company since 16 June 2025 holds additional credit lines in the form of an overdraft facility from its bank for an amount up to USD 20 million, of which USD 6.1 million was undrawn as at 30 September 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 on 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 14 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.

The Board of Directors is of the opinion that, in line with the Company's business plan, there is a feasible plan for the Company 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 event that the going concern assumption does not serve as basis for the Company's financial statements, depending on the specific circumstances, some assets of the Company 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, unless otherwise stated below. Refer to [Note 2](#) Basis of preparation and significant accounting policies in the 2024 Annual Report for information on the Company's accounting policies.

3.1 Convertible bonds

Convertible bonds are separated into a debt liability and an equity component based on the terms of the contract. On issuance of the convertible bonds, the fair value of the debt liability excluding conversion option is measured at the fair value of expected cash flows at inception and is recorded under non-current liabilities in the balance sheet. The debt liability component is amortized to the redemption value over the bond life, accruing interest at the effective rate. The rest of the convertible bond issue proceeds are recorded as equity.

Transaction costs are apportioned between the debt liability and equity components of the convertible bonds based on the allocation of the proceeds of the debt liability and equity components when the instruments are initially recognized.

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)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Airfare passenger revenue	172,373	164,565	372,435	324,112	395,249
Ancillary passenger revenue	38,147	42,765	87,228	88,735	108,200
Total passenger revenues	210,520	207,331	459,663	412,847	503,449
Cargo	8,184	7,370	20,403	14,087	20,678
Total own flights	218,704	214,700	480,066	426,934	524,127
Lease income	-	3,116	1,431	15,677	18,805
Charter and ACMI	10,015	2,778	44,886	16,032	37,144
Other revenue	21,110	1,392	51,327	6,346	8,031
Total Operating Revenue	249,830	221,987	577,710	464,988	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. Charter and ACMI revenue comprises of revenue from operating flights on behalf of third-party customers, both for ad hoc flights and for series of flights over a longer term. Other revenue consists of proceeds from insurance claims and revenue from maintenance services provided the Company’s technical personnel to third parties.

Other revenue in Q3 2025 includes insurance claim proceeds of USD 20.1 million (nil, same quarter previous year) that is fully offset by equal amount of aircraft engine repair costs included under the technical maintenance expenses in the interim consolidated statement of comprehensive income.

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)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Depreciation of right-of-use assets	18,271	21,431	56,139	64,154	85,670
Depreciation of other tangible assets	213	216	775	778	1,314
Amortization of intangible assets	224	236	745	674	936
Total	18,708	21,882	57,660	65,606	87,920

Note 7 Interest expenses

(in thousands of USD)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Lease liabilities interest expense	8,147	9,005	24,686	27,129	36,061
Other interest expense	1,946	937	4,787	1,865	2,958
Total	10,093	9,942	29,473	28,993	39,019

Note 8 Other financial income/(expenses)

(in thousands of USD)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Other financial income/(expense)	164	4	561	632	1,489
Foreign exchange gains	555	22	1,278	948	820
Foreign exchange losses	(1,116)	(844)	(2,385)	(2,130)	(1,347)
Total	(397)	(818)	(546)	(550)	962

Note 9 Aircraft and other tangible assets

(In thousands of USD)	30 Sep 2025	30 Sep 2024	31 Dec 2024
Aircraft Right-of-Use assets	713,256	835,967	817,179
Aircraft rotatable inventory	5,290	5,472	6,035
Other Right-of-Use assets	549	682	671
Other tangible assets	796	872	809
Total	719,891	842,994	824,694

Note 10 Trade and other receivables

(in thousands of USD)	30 Sep 2025	30 Sep 2024	31 Dec 2024
Trade receivables	17,160	8,727	8,976
Other reveivables	8,304	2,774	2,692
Total	25,464	11,501	11,668

Note 11 Cash and cash equivalents

(in thousands of equivalent USD)	30 Sep 2025	30 Sep 2024	31 Dec 2024
USD	19,264	17,498	19,339
NOK	1,073	2,627	1,542
GBP	3,368	3,520	1,462
EUR	1,711	1,671	475
SEK	77	-	-
THB	20	31	36
Total cash and cash equivalents	25,514	25,348	22,855
Hereof restricted cash:			
USD	13,800	13,200	13,200

Note 12 Shareholder information

Shareholders of the Company as of 30 September 2025.

Name	Number of shares	Ownership	Voting rights
B T Larsen & Co Limited	43,549,801	29.5%	29.5%
Songa Capital AS	12,361,330	8.4%	8.4%
MH Capital AS	4,926,778	3.3%	3.3%
UBS Financial Services Inc.	4,200,000	2.8%	2.8%
Fender Eiendom AS	4,120,000	2.8%	2.8%
Vicama AS	3,000,000	2.0%	2.0%
Alden AS	2,773,381	1.9%	1.9%
Tigerstaden AS	2,500,000	1.7%	1.7%
Société Générale	2,304,925	1.6%	1.6%
Livermore Invest AS	2,242,386	1.5%	1.5%
Alto Holding AS	2,060,531	1.4%	1.4%
Skandinaviska Enskilda Banken AB	1,800,000	1.2%	1.2%
Metal Monkey AS	1,700,000	1.2%	1.2%
Tigerstaden Invest AS	1,500,000	1.0%	1.0%
Guttis AS	1,407,576	1.0%	1.0%
Valleløykken AS	1,400,000	0.9%	0.9%
F2 Funds AS	1,200,000	0.8%	0.8%
Tore Gården	1,181,037	0.8%	0.8%
UBS Switzerland AG	1,160,071	0.8%	0.8%
F1 Funds AS	1,000,000	0.7%	0.7%
Top 20 shareholders	96,387,816	65.2%	65.2%
Other shareholders	51,414,600	34.8%	34.8%
Total number of shares	147,802,416	100.0%	100.0%

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	-	806	834
Interest accrued	21,848	23,326	30,903
Installments and interest payments	(72,548)	(73,139)	(99,845)
Lease modifications	(60,076)	-	-
Closing balance	794,943	924,820	905,719
Of which			
Due within 12 months	67,466	78,698	79,714
Due after 12 months	727,477	846,122	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.

Note 14 Interest-bearing debt

(In thousands of USD)	30 Sep 2025	30 Sep 2024	31 Dec 2024
Convertible bonds	27,680	-	-
Shareholder loan	7,219	21,291	22,056
Bank overdraft facility	13,863	-	-
Total	48,763	21,291.25	22,056
Of which			
Due within 12 months	13,863	21,291	-
Due after 12 months	34,899	-	-

14.1 Convertible bonds

Effective 4 September 2025, the Company issued a 2-year senior unsecured convertible bonds with gross proceeds of USD 30 million (the “Convertible bonds”). The Convertible bonds bear interest at 8.5% per annum and are convertible into the Company’s shares at USD 1.2662 per share. The final maturity date of the Convertible bonds is 4 September 2027.

On the date of issuance, the debt component of the Convertible bonds was measured at USD 27.4 million, being the present value of future contractual cashflows, and is reported under Interest-bearing debt in the Company’s consolidated statement of financial position. The equity component, representing the value of the conversion option, was measured at USD 1.06 million and is reported under Other paid-in capital.

14.2 Shareholder loan

On 11 September 2025, the Company made partial repayment of its shareholder loan, reducing the total liability from USD 24.4 million to USD 7.2 million. Effective the same date, the terms of the remaining loan were amended to extend the maturity date from 31 March 2026 to 4 September 2027, and the interest rate was reduced from 15% to 10.5% per annum.

14.3 Bank overdraft facility

On 28 May 2025, the Company entered into a USD 20 million bank overdraft facility with Nordea Bank Abp, maturing on 30 April 2026. The facility is guaranteed by B T Larsen & Co Limited, a company controlled by Norse Atlantic’s CEO, Founder, and largest shareholder, Mr. Bjørn Tore Larsen. As at 30 September 2025, the Company had drawn USD 13.9 million under the facility, with the remaining USD 6.1 million available.

Note 15 Subsequent events

On 27 October 2025, Norse Atlantic completed a NOK 113.7 million private placement towards selected strategic investors, further widening the international shareholder base, as well as the Company’s two largest shareholders, B T Larsen & Co and Songa Capital AS. The subscription price was set at market price of NOK 7.6938 per share, equal to the volume weighted average price over the three last trading days prior to the private placement. As a result, the Company issued 14,780,242 new shares with gross proceeds equivalent to approximately USD 11 million. The total number of shares issued and outstanding is 162,582,658 with a nominal value per share of NOK 0.50.

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 earnt 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

	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Airfare passenger revenue – USD thousands	172,373	164,565	372,435	324,112	395,249
Number of passengers in own network	532,329	510,738	1,218,372	1,078,304	1,342,434
Airfare per passenger – USD	324	322	306	301	294
Ancilliary passenger revenue – USD thousands	38,147	42,765	87,228	88,735	108,200
Number of passengers in own network	532,329	510,738	1,218,372	1,078,304	1,342,434
Ancilliary per passenger – USD	72	84	72	82	81
Revenue per passenger – USD	395	406	377	383	375

PRASK

(in thousands of USD)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Total passenger revenue	210,520	207,331	459,663	412,847	503,449
Available seat kilometres in own network (millions)	4,290	4,213	9,697	9,313	11,391
PRASK – US Cents	4.91	4.92	4.74	4.43	4.42

TRASK

(in thousands of USD)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Total operating revenue ¹	229,700	221,987	557,580	464,988	588,106
Available seat kilometres (millions)	4,707	4,275	11,048	9,724	12,323
TRASK – US Cents	4.88	5.19	5.05	4.78	4.77

¹ excluding USD 20.1 million of 'Other revenue' from insurance claims related to engine damages in Q3-2025

CASK (cash adjusted)

(in thousands of USD)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Operating profit/(loss)	2,695	4,614	1,880	(71,097)	(97,017)
Add-back					
Revenue	(249,830)	(221,987)	(577,710)	(464,988)	(588,106)
Fuel, oil and emissions costs	65,192	65,512	148,513	150,515	183,617
Costs covered by insurance claims	20,130	-	20,130	-	-
Depreciation of right-of-use assets	18,271	21,431	56,139	64,154	85,670
Cost (adj.) sub-total	143,542	130,430	351,048	321,417	415,837
Available seat kilometres (millions)	4,707	4,275	11,048	9,724	12,323
CASK (cash adjusted) – US Cents	3.05	3.05	3.18	3.31	3.37

CASK (excluding fuel)

(in thousands of USD)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Operating profit/(loss)	2,695	4,614	1,880	(71,097)	(97,017)
Add-back					
Revenue	(249,830)	(221,987)	(577,710)	(464,988)	(588,106)
Fuel, oil and emissions costs	65,192	65,512	148,513	150,515	183,617
Costs covered by insurance claims	20,130	-	20,130	-	-
Cost (adj.) sub-total	161,812	151,860	407,187	385,571	501,507
Available seat kilometres (millions)	4,707	4,275	11,048	9,724	12,323
CASK (excl. fuel) – US Cents	3.44	3.55	3.69	3.97	4.07

CASK

(in thousands of USD)	Q3 2025	Q3 2024	YTD 2025	YTD 2024	FY 2024
Operating profit/(loss)	2,695	4,614	1,880	(71,097)	(97,017)
Add-back					
Revenue	(249,830)	(221,987)	(577,710)	(464,988)	(588,106)
Costs covered by insurance claims	20,130	-	20,130	-	-
Cost sub-total	227,005	217,373	555,700	536,085	685,124
Available seat kilometres (millions)	4,707	4,275	11,048	9,724	12,323
CASK – US Cents	4.82	5.08	5.03	5.51	5.56



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