NORSE

Q2 and half year report 2026

Norse Atlantic Airways

Norse Atlantic Airways is an airline committed to offering affordable fares on direct, long-haul flights to popular destinations, along with specialized charter and ACMI services for tailored travel needs and extensive cargo operations. Norse Atlantic operates a modern fleet of 12 fuel-efficient Boeing 787 Dreamliners, serving a network of destinations across North America, Europe, Africa and Asia.

Navigating volatility with record unit revenues and continued focus on taking out costs

Q2 2026 headlines

- Network high-grading drives record high unit revenues
- Fuel costs and lower aircraft utilization impact profitability
- Continue to execute the Project Falcon USD 50 million cost reduction program
- Strengthening liquidity with rights issue and USD 52 million financing agreement entered into in August 2026 with maturity in May 2027
- Strategic review progressing with strong interest

Revenue (USD million)
132.0
202.6

EBITDAR (USD million)
(8.4)
23.1

EBIT (USD million)
(27.3)
4.4

Flights
1,331
1,731

Passengers
345,630
553,086

Load factor
97%
97%

Comparative figures are from Q2 2025

CEO, Eivind Roald

The second quarter demonstrated Norse Atlantic's ability to adapt as an Airline on Demand in a challenging environment for the airline industry. We are of course not satisfied with the financial results, but I believe we have taken important steps to strengthen our commercial operations and financial platform.

We adjusted network capacity amid elevated fuel prices, delivered record high quarterly unit revenue and implemented cost reductions. We have in addition strengthened our balance sheet and progressed the strategic review that has attracted strong international interest.

High jet fuel prices and geopolitical disruptions impacted profitability across the sector in the first half of 2026, with airlines trimming capacity to adapt to changing market conditions.

Despite the industry headwinds, I'm very pleased to see that Norse continues to deliver an excellent product to our passengers, strong operational performance and significant commercial momentum. Second-quarter unit revenue in Norse's own network increased 23% year-over-year on higher fares and a load factor of 94%.

However, a 26% drop in network production from the preceding quarter, combined with elevated fuel prices weighed on network earnings. We continue to manage capacity based on profitability, including cancelling the Los Angeles summer program.

Our ACMI and charter operations were also affected by the challenging operating environment with fewer block hours than planned and with longer flight durations and industry-wide engine challenges increasing costs. Despite this, segment revenue increased more than six-fold and delivered positive EBITDAR.

As announced in July, IndiGo-agreement will end later this year with the returning aircraft providing more flexibility to optimize our fleet deployment across our business segments.

The record high network unit revenue reflects our targeted approach to match network capacity and demand. We plan to further strengthen our ability to capture new market opportunities, while pursuing a more flexible and selective charter/ACMI approach with a clear focus on profitability.

Fully transitioning to an Airline on Demand across both segments opens new strategic paths for Norse. This is recognized by potential partners. Therefore, the strategic review has advanced into a more formal process, with multiple parties having signed NDAs, which may result in a sale, merger or partnership.

We work diligently to ensure that Norse has adequate financial resources to navigate the challenging market conditions. Our rights issue in June enabled a significant repayment of outstanding debt, while our Project Falcon aims to deliver USD 50 million of annual cost savings from 2027.

To strengthen the liquidity in a period with persistently high fuel prices and reduced activity, we have entered into a USD 52 million senior secured financing agreement with maturity in May 2027.

The improved financial and fleet flexibility position Norse as a leaner and more agile airline, focused on allocating capacity where we see the strongest returns, improving profitability and creating long-term shareholder value.

Operational performance

Norse continued to operate with a balanced dual business model in the second quarter and first half of 2026. The second quarter was the first full quarter in which six aircraft were deployed in ACMI operations, partially offsetting the lower activity in own network. Overall production was down 23% from same quarter last year due to the disruptions from the ongoing conflict in the Middle East, which affected operations in the Own Network and the ACMI & Charter segments.

The Own Network commercial performance remained strong with both PRASK and TRASK at new all-time highs due to the more focused route network. The load factor was 94% and total revenue per passenger in the second quarter increased 20% year-on-year to USD 447. Network production in the quarter was down 64% from same quarter last year, partly due to the cancellation of all Los Angeles summer routes due to the high jet fuel prices.

ACMI & Charter segment activity increased materially year-over-year. Production was more than 8 times higher than in the second quarter of 2025, the number of flights quadrupled, and there was a nine-fold in the number of block hours. Nevertheless, production was somewhat lower than expected due to disruptions from the Middle East conflict and challenges related to engine repairs.

Own network

	Q2 2026	Q2 2025	H1 2026	H1 2025	FY2025
Number of flights	580	1,542	1,265	2,127	4,666
Completion rate	100%	100%	99%	99.9%	99.5%
Average stage length (km)	7,197	7,500	7,784	7,521	7,618
ASK (millions)	1,411	3,909	3,328	5,407	12,014
RPK (millions)	1,323	3,772	3,194	5,156	11,351
Number of passengers	184,365	502,737	410,088	686,043	1,492,824
Load factor	94%	96%	96%	95%	94%
Airfare per passenger (USD)	380	299	399	292	308
Ancillary per passenger (USD)	67	73	66	72	70
Revenue per passenger (USD)	447	372	465	363	378
PRASK (US cents)	5.84	4.78	5.72	4.61	4.69
TRASK (US cents)	6.15	5.01	5.98	4.83	4.93
CASK cash adjusted (US cents)	4.73	3.05	4.45	3.35	2.75
CASK excl. fuel (US cents)	5.37	3.41	4.99	3.84	3.39
CASK (US cents)	8.23	4.85	7.45	5.33	4.97
Cargo volumes (tonnes)	3,776	8,160	8,226	11,949	27,312
Cargo rate net of commissions (USD/ton)	979	1,058	1,051	1,023	1,053

ACMI & Charter

	Q2 2026	Q2 2025	H1 2026	H1 2025	FY2025
Number of flights	751	189	1,396	656	1,437
ASK (millions)	1,736	197	3,420	934	2,773
RPK (millions)	1,736	197	3,420	934	2,773
Number of passengers	161,265	50,349	340,660	171,631	346,225
ACMI Block hours flown	7,455	813	13,358	2,460	9,879

Financial performance & position

Financial performance

(Comparative numbers in parenthesis refer to the second quarter of 2025 unless otherwise specified)

Total revenue was USD 132.0 million in the second quarter of 2026, compared to USD 202.6 million in the same period last year. The decrease was caused by lower passenger revenue following the capacity shift from Own Network to the Charter & ACMI segment.

Passenger revenue decreased 56% to USD 82.4 million (USD 187.0 million), reflecting a 63% reduction in passenger volumes. Despite lower production and passenger volume, commercial performance remained strong. Airfare per passenger increased 27% to USD 380 (USD 299), while total revenue per passenger increased 20% to USD 447 (USD 372). PRASK and TRASK were at all-time highs of 5.84 US cents (4.78 US cents) and 6.15 US cents (5.01 US cents), respectively.

Charter & ACMI revenue increased to USD 45.0 million (USD 6.1 million), reflecting the growth in the ACMI business. ACMI block hours increased to 7,455 (813), while the number of ACMI & Charter flights increased to 751 (189).

(USD million)	Q2 2026	Q2 2025	H1 2026	H1 2025	Full Year 2025
Key profit and loss figures					
Passenger revenue	82.4	187.0	190.5	249.1	563.7
ACMI & Charter revenue	45.0	6.1	92.4	34.9	84.6
Other revenue	4.6	9.5	9.4	15.1	57.0
Other income [1]	-	-	-	28.7	28.7
Total income	**132.0**	**202.6**	**292.3**	**327.9**	**734.0**
Operating costs	(140.4)	(179.5)	(294.9)	(289.7)	(677.6)
EBITDAR	**(8.4)**	**23.1**	**(2.6)**	**38.1**	**56.5**
Depreciation, amortisation and variable aircraft rentals	(18.9)	(18.7)	(37.8)	(39.0)	(76.6)
Operating profit/(loss)(EBIT)	**(27.3)**	**4.4**	**(40.4)**	**(0.8)**	**(20.1)**
Net financial expenses	(43.3)	(9.9)	(54.1)	(19.5)	(41.2)
Profit/(loss) before tax	**(70.5)**	**(5.5)**	**(94.5)**	**(20.3)**	**(61.3)**
Income tax	(0.0)	(0.4)	(0.1)	(0.5)	(0.6)
Profit/(loss) for the period	**(70.6)**	**(5.9)**	**(94.6)**	**(20.8)**	**(61.9)**
Cash flow from operations	(29.1)	27.5	(12.4)	57.5	69.3
Cash flow from investments	(3.4)	(4.9)	(7.4)	(8.5)	(20.9)
Cash flow from financing	94.7	(24.3)	69.4	(47.2)	(41.1)
Effect of foreign currency revaluation on cash	(0.0)	0.4	(0.1)	0.8	0.6
Net change in free cash and cash equivalents	**62.2**	**(1.3)**	**49.6**	**2.6**	**7.9**
Cash and cash equivalents at period end	**67.1**	**23.6**	**67.1**	**23.6**	**17.6**

[1] Other income in H1 2025 & FY2025 relates to the one-time gain from lease modifications

Other revenue amounted to USD 4.6 million (USD 9.5 million), comprising cargo revenue of USD 4.3 million (USD 8.6 million) and other revenue of USD 0.3 million (USD 0.8 million).

Operating expenses, excluding depreciation and amortization, decreased 22% to USD 140.4 million (USD 179.5 million). This partly reflects a higher proportion of ACMI activity, as well as the lower overall production. However, a meaningful portion of costs are fixed and do not shrink in line with lower volumes.

Moreover, fuel prices were significantly higher, up 92% compared to last year, while technical maintenance costs increased due to unscheduled engine repairs.

EBITDAR was negative USD 8.4 million, compared to positive USD 23.1 million in the second quarter of 2025. Depreciation and amortization were stable at USD 18.9 million (USD 18.7 million), resulting in an operating loss (EBIT) of USD 27.3 million, compared to an operating profit of USD 4.4 million in the same period last year.

Net financial expenses were USD 43.3 million (USD 9.9 million), including a non-cash finance cost of USD 32.9 million, representing the fair value of the incremental shares offered to bondholders compared to the number of shares they were entitled to receive under the original conversion terms.

Net loss for the quarter was USD 70.6 million (USD 5.9 million).

In the first six months of 2026 (comparatives from first six months of 2025), total revenue decreased 11% to USD 292.3 million (USD 327.9 million, including USD 28.7 million of non-recurring lease gains recognized as other income). EBITDAR was negative at USD 2.6 million (positive USD 38.1 million), the operating loss was USD 40.4 million (USD 0.8 million) and the net loss for the period was USD 94.6 million (USD 20.8 million).

Financial position

(Comparative numbers in parenthesis refer to 31 December 2025 unless otherwise specified)

At 30 June 2026, the carrying value of right-of-use assets was USD 660.0 million (USD 696.5 million), whereas the corresponding lease liabilities were USD 745.5 million (USD 779.3 million). Non-current interest-bearing debt decreased to USD 9.0 million (USD 36.0 million) due to the convertible bond conversions in conjunction with the refinancing. Aircraft maintenance provisions were USD 84.3 million (USD 76.5 million).

Current assets were USD 172.0 million (USD 141.9 million). Current liabilities were USD 337.6 million (USD 350.1 million), including interest-bearing debt of USD 41.7 million (USD 20.3 million).

Book equity at 30 June 2026 was negative USD 193.6 million (negative USD 260.0 million), following completion of the rights issue and bond conversion.

Cash flow and liquidity

(Comparative numbers in parenthesis refer to the second quarter of 2025 unless otherwise specified)

Free cash and cash equivalents increased by USD 62.2 million (decrease of USD 1.4 million) during the second quarter. Cash outflow from operating activities was USD 29.1 million (inflow of USD 27.5 million), cash outflow to investing activities was USD 3.4 million (USD 4.9 million), and net cash inflow from financing activities was USD 94.7 million (outflow of USD 24.3 million), primarily reflecting the equity raise and repayment of the bank overdraft facility during the quarter.

Free cash and cash equivalents at the end of the period were USD 67.1 million (USD 17.6 million at the end of 2025).

For the first six months of 2026 (first six months of 2025), cash outflow from operations was USD 12.4 million (inflow of USD 57.5 million), cash outflow to investments USD 7.4 million (USD 8.5 million), and net cash inflow from financing activities was USD 69.4 million (outflow of USD 47.2 million).

To further improve the liquidity, Norse has entered into a USD 52 million senior secured financing agreement, as mentioned under 'Subsequent events'.

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Subsequent events

On 8 July 2026, the Company fully repaid the remaining liability of USD 41.7 million under the bridge loan facility.

On 31 July 2026, the Company announced an agreement to discontinue the ACMI cooperation with IndiGo effective from 1 November 2026. This will result in the redelivery of five aircraft to Norse, which will be deployed across own network, charter and ACMI operations.

On 19 August 2026, Norse Atlantic Airways AS, a wholly owned subsidiary of Norse Atlantic ASA, entered into a USD 52 million senior secured financing agreement. The facility matures in May 2027 at 103% of par value, carries a fixed coupon of 15.0% per annum, and issued at 95% of par value. The facility terms also include an M&A fee payable to the lenders of 3% of equity value, should a change of control or sale transaction be concluded as a result of the strategic review. The proceeds are expected to be drawn in August 2026 following satisfaction of customary conditions precedent. Net proceeds will be used for general corporate purposes and to support the Group's liquidity position.

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 remaining, with an average duration of 9 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 broader long-haul aviation market is expected to grow at approximately 4% annually over the coming decade, though the near-term outlook remains uncertain due to geopolitical disruptions. At the same time, structural constraints on aircraft supply, driven by limited production capacity and an aging global fleet, are expected to persist, supporting favorable market conditions for operators with access to modern and fuel-efficient aircraft.

Norse is well positioned to capture this demand through its flexible operating model comprising its own route network, as well as ACMI and charter business. The discontinuation of the ACMI agreement with IndiGo from November will enhance the flexibility in both business segments, strengthening Norse's ability to be an "Airline on Demand".

More network capacity can now be added to the right routes when demand and profitability is high. The enhanced Europe to Southeast Asia winter-sun program 2026/27, as well as additional capacity on Europe to New York and Orlando routes in the upcoming winter are examples of this.

Norse can also be more dynamic in sourcing the right ACMI business, facilitating a more seamless interaction with the requirements of its own route network, while optimizing the combination of lease rates and durations.

Enhanced control of fleet deployment implies a broader set of opportunities. This is expected to be a benefit in the strategic review, which has moved into a formal process that may result in a sale, merger or partnership. The target remains to conclude the review by year-end 2026.

The balance sheet was materially strengthened during the second quarter through the rights issue, the voluntary conversion of convertible bonds to equity, as well as significant repayment of debt.

However, challenging market conditions continue to weigh on cashflows, requiring additional liquidity resources for Norse to be able to continue its operations. On 19 August 2026, Norse Atlantic Airways AS entered into a USD 52 million senior secured financing agreement. The financing agreement matures in May 2027 and carries a fixed interest rate of 15.0% per annum. The transaction is expected to close and the proceeds received during August 2026, following satisfaction of customary closing conditions. This is expected to extend the financial runway until the ongoing strategic review is completed.

The ongoing Project Falcon cost reduction program further underpins the Company's plan for profitability.

The main priority is to leverage the increased operational and strategical flexibility to generate long-term value for shareholders.

Organisation

On 30 June 2026, the Company had 1,071 employees (1,076 as at 31 December 2025), comprising 803 airborne crew and 268 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.

As a part of Project Falcon, the administrative workforce will be reduced by approximately 75 positions (from end of 2025 levels) and selected office functions consolidated. The headquarters will relocate to Oslo during 2026 to support closer commercial and operational integration. The Arendal office will subsequently close.

Go back

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 behavior. 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.

During the second quarter of 2026, the Company's long-term wet lease/ACMI arrangements reduced its exposure to seasonality and fluctuations in passenger demand by providing contracted revenue for the capacity allocated to ACMI operations. However, such arrangements expose the Company to counterparty, contract concentration and early-termination risks, as well as risks arising from changes in market, operational and geopolitical conditions that may affect the commercial viability of the contracts.

As announced on 31 July 2026, the Company and IndiGo mutually agreed to discontinue the existing ACMI arrangement at the end of October 2026. Consequently, the Company will be exposed to increased fleet redeployment risk. Although the Company is pursuing new ACMI opportunities and intends to deploy part of the returning capacity within its Own Network, there can be no assurance regarding the timing, terms or successful conclusion of new ACMI contracts, or that alternative deployment will achieve comparable aircraft utilization, revenue or profitability. Any delay in securing commercially attractive deployment could result in lower utilization, increased seasonality and demand exposure, and an adverse effect on the Company's revenue, liquidity and financial performance.

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 dependent 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. As a small airline operating a 12-aircraft fleet with no spare capacity, any aircraft-on-ground (AOG) event due to technical issues may require short-notice ACMI leasing, resulting in higher operating costs and potential schedule disruption.

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 affecting its ability to manage its financial obligations.

Aviation fuel represents a material variable cost component for the Company and fluctuations in the price and availability of aviation fuel may materially impact the financial performance. Both cost and availability of aviation fuel are subject to economic and political factors beyond the Norse's control. Any increase in the price of aviation fuel will have a material adverse impact on the Company's profitability.

Currently, Norse has 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. Escalations in geopolitical tensions may lead to volatility and upward pressure in fuel prices. Any long-term ACMI contracts entered into in the future will reduce the overall exposure to fuel price fluctuations, as the jet fuel cost under ACMI contracts is at the expense of the customer.

Norse has taken steps to address many of the risk factors mentioned above, such as strengthening the balance sheet, launching a strategic review, commencing a cost reduction program and planning a more flexible and profitable fleet deployment. Norse has also entered into a USD 52 million senior secured financing agreement, as mentioned under 'Subsequent events', to further support the Company's liquidity. However, if these measures do not deliver the required financial and operational outcomes, the consequences for the Company could be severe. Therefore, the going concern assumption is subject to material uncertainty as explained in the notes to the interim consolidated financial statements (refer to Note 2.2).

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Condensed interim consolidated statement of income and statement of comprehensive income

(in thousands of USD)	Notes	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Revenue						
Total revenue		132,016	202,582	292,331	299,154	705,315
Other income		-	-	-	28,726	28,726
Total Income	4	**132,016**	**202,582**	**292,331**	**327,880**	**734,042**
Operating expenses						
Personnel expenses		(36,292)	(38,608)	(77,978)	(72,448)	(160,840)
Fuel, oil and emission costs		(41,016)	(56,418)	(85,372)	(83,321)	(188,988)
Airport charges and handling		(19,405)	(32,583)	(38,721)	(44,935)	(106,176)
Technical maintenance		(30,124)	(27,295)	(60,336)	(46,376)	(135,787)
Other operating costs		(7,538)	(13,785)	(17,976)	(21,454)	(48,288)
Marketing and distribution costs		(2,203)	(6,861)	(6,423)	(13,144)	(22,392)
Administrative costs		(3,847)	(3,902)	(8,115)	(8,065)	(15,093)
Total Operating exps excl. leases, dep & amort.		**(140,425)**	**(179,452)**	**(294,921)**	**(289,743)**	**(677,564)**
Operating profit before depreciation & amort. (EBITDAR) [1]		**(8,409)**	**23,130**	**(2,590)**	**38,137**	**56,478**
Depreciation and amortization	6	(18,863)	(18,719)	(37,778)	(38,952)	(76,572)
Operating profit/(loss)		**(27,272)**	**4,411**	**(40,368)**	**(815)**	**(20,094)**

(in thousands of USD)	Notes	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Interest expenses	7	(12,581)	(9,940)	(23,518)	(19,380)	(40,088)
Other financial income/(expenses)	8	2,239	48	2,362	(149)	(1,111)
Finance expense on early conversion of convertible bonds	13.1	(32,934)	-	(32,934)	-	-
Profit/(loss) before tax		**(70,548)**	**(5,482)**	**(94,457)**	**(20,343)**	**(61,293)**
Income tax		(14)	(440)	(134)	(477)	(648)
Profit/(loss) for the period		**(70,562)**	**(5,922)**	**(94,591)**	**(20,821)**	**(61,941)**
Basic & diluted earnings per share (USD) [2]		(0.36)	(0.04)	(0.53)	(0.14)	(0.41)
Total comprehensive income						
Profit/(loss) for the period		(70,562)	(5,922)	(94,591)	(20,821)	(61,941)
Other comprehensive income		-	-	-	-	-
Total comprehensive income		**(70,562)**	**(5,922)**	**(94,591)**	**(20,821)**	**(61,941)**

[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

Condensed interim consolidated statement of financial position

(in thousands of USD)	Notes	30 Jun 2026	30 Jun 2025	31 Dec 2025
Non-current assets				
Tangible assets	9	665,908	736,214	703,407
Intangible assets		1,572	2,351	2,020
Aircraft lease deposits		15,170	14,854	15,013
Other non-current assets		58,885	40,750	51,534
Total non-current assets		**741,536**	**794,170**	**771,974**
Current assets				
Credit card receivables		71,427	141,338	72,137
Trade and other receivables	10	13,695	15,966	24,695
Inventories		6,593	5,027	6,324
Other current assets		13,135	16,971	21,203
Cash and cash equivalents	11	67,119	23,645	17,554
Total current assets		**171,969**	**202,947**	**141,913**
Total assets		**913,504**	**997,117**	**913,887**

(in thousands of USD)	Notes	30 Jun 2026	30 Jun 2025	31 Dec 2025
Equity and liabilities				
Equity				
Share capital		150,789	74,596	8,271
Other paid-in capital		29,970	201,192	11,501
Accumulated losses		(374,373)	(506,990)	(279,782)
Total equity		**(193,614)**	**(231,203)**	**(260,011)**
Non-current liabilities				
Lease liabilities non-current	12	676,268	744,790	711,214
Interest-bearing debt	13	9,006	-	36,037
Provisions		84,259	67,647	76,523
Total non-current liabilities		**769,533**	**812,437**	**823,774**
Current liabilities				
Deferred passenger revenue		92,052	162,941	93,855
Interest-bearing debt current	13	41,683	23,844	20,314
Trade and other payables		134,637	162,592	167,884
Lease liabilities current	12	69,213	66,505	68,071
Total current liabilities		**337,585**	**415,883**	**350,124**
Total equity and liabilities		**913,504**	**997,117**	**913,887**

Condensed interim consolidated statement of cash flows

(in thousands of USD)	Notes	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Cash flows from operating activities						
Profit/(loss) before tax		(70,548)	(5,482)	(94,457)	(20,343)	(61,293)
Adjustments for items not affecting operating cash flows:						
Depreciation and amortization	6	18,863	18,719	37,778	38,952	76,572
Interest expenses		12,581	9,940	23,518	19,380	40,088
Interest income		(330)	(394)	(495)	(397)	(1,168)
Share based employee incentives		124	88	261	186	364
Income taxes paid		(14)	(440)	(134)	(477)	(648)
Gain on lease modifications		-	-	-	(28,726)	(29,526)
Finance expense on early conversion of convertible bonds	13.1	32,934	-	32,934	-	-
Changes in deferred passenger revenue		(16,205)	(18,706)	(1,802)	61,652	(7,435)
Provisions		2,792	2,424	5,297	4,603	10,839
Net operating cash flows before working capital movements		**(19,803)**	**6,150**	**2,900**	**74,829**	**27,793**
Working capital movements		(9,295)	21,324	(15,340)	(17,305)	41,497
Net cash flows from operating activities		**(29,097)**	**27,474**	**(12,441)**	**57,524**	**69,290**
Cash flows from investing activities						
Aircraft maintenance assets		(3,417)	(4,834)	(7,346)	(8,411)	(20,748)
Other investments		(3)	(88)	(15)	(105)	(127)
Net cash flows from investing activities		**(3,420)**	**(4,922)**	**(7,361)**	**(8,517)**	**(20,874)**

(in thousands of USD)	Notes	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Cash flows from financing activities						
Net proceeds from share issue		99,362	-	99,362	-	11,078
Proceeds from convertible bonds	13	-	-	-	-	28,451
Shareholder loan	13	40,000	-	40,000	-	(15,000)
Bank overdraft facility	13	(20,369)	-	(20,314)	-	20,314
Lease installments		(16,892)	(16,430)	(33,804)	(34,347)	(67,395)
Movements in restricted cash		-	-	-	1,800	13,200
Net interest paid		(7,393)	(7,901)	(15,808)	(14,673)	(31,777)
Net cash flows from financing activities		**94,707**	**(24,331)**	**69,436**	**(47,220)**	**(41,129)**
Effect of foreign currency revaluation on cash		(13)	429	(69)	803	613
Net change in free cash and cash equivalents		**62,177**	**(1,350)**	**49,565**	**2,590**	**7,900**
Free cash and cash equivalents at the beginning of the period		4,942	13,595	17,554	9,655	9,655
Free cash and cash equivalents at the end of the period		**67,119**	**12,245**	**67,119**	**12,245**	**17,554**
Restricted cash at the end of the period	11	-	11,400	-	11,400	-
Cash and cash equivalents at the end of the period	11	**67,119**	**23,645**	**67,119**	**23,645**	**17,554**

Condensed interim consolidated statement of changes in equity

(in USD thousands except for number of shares and value per share)	Number of shares	Share capital	Other paid-in capital	Accumulated losses	Total equity
Balance as at 1 Jan 2026	162,582,658	8,270	11,501	(279,782)	(260,011)
Profit/(loss) for the period	-	-	-	(94,591)	(94,591)
Other comprehensive income for the period	-	-	-	-	-
Other changes in equity					
30 June, share issue at USD 0.05 (NOK 0.50) per share	2,039,664,000	102,797	-	-	102,797
Transaction costs related to shared issued			(3,434)	-	(3,434)
30 June, convertible bonds converted (refer to Note 13.1)	545,932,676	29,442	32,934	-	62,376
Equity component of converted bonds			(1,012)	-	(1,012)
30 June, underwriting commission settled in shares	203,966,388	10,280	(10,280)	-	-
Share-based payments to employees	-	-	261	-	261
Balance at 30 Jun 2026	**2,952,145,722**	**150,789**	**29,970**	**(374,373)**	**(193,614)**

(in USD thousands except for number of shares and value per share)	Number of shares	Share capital	Other paid-in capital	Accumulated losses	Total equity
Balance as at 1 Jan 2025	147,802,416	74,596	201,006	(486,170)	(210,568)
Profit/(loss) for the period	-	-	-	(20,821)	(20,821)
Other comprehensive income for the period	-	-	-	-	-
Other changes in equity					
Share-based payments to employees	-	-	186	-	186
Balance at 30 Jun 2025	**147,802,416**	**74,596**	**201,192**	**(506,990)**	**(231,203)**
Balance as at 1 Jan 2025	147,802,416	74,596	201,006	(486,170)	(210,568)
Profit/(loss) for the period	-	-	-	(61,941)	(61,941)
Other comprehensive income for the period	-	-	-	-	-
Other changes in equity					
15 August, reduction nominal value from NOK 5.00 to NOK 0.50 per share	-	(67,136)	(201,193)	268,329	-
21 August, equity component at issue of convertible bonds	-	-	1,056	-	1,056
27 October, share issue at USD 0.77 (NOK 7.6938) per share	14,780,242	811	10,267	-	11,078
Share-based payments to employees	-	-	364	-	364
Balance at 31 Dec 2025	**162,582,658**	**8,270**	**11,501**	**(279,782)**	**(260,011)**

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 19 August 2026.

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 an affordable long-haul airline established in 2021 that offers affordable fares on direct, long-haul flights to popular destinations, along with specialized charter and ACMI services for tailored travel needs and extensive cargo operations. Norse operates a modern fleet of 12 fuel-efficient Boeing 787-9 Dreamliners, serving a network of destinations across North America, Europe, Africa and Asia.

Note 2 Basis of preparation

2.1 General

These condensed 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 2025 as published and available at the Company's website www.flynorse.com. In these condensed interim consolidated financial statements, the second quarter (Q2) is the period starting on 1 April and ending on 30 June. The period 2025 is defined as the reporting period from 1 January to 31 December. For this interim period the Company presents the second quarter of 2025 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 going concern assumption. For this interim report, the going concern assumption has been evaluated for a period of 12 months following the date of this report.

Being an airline in its build-up phase and challenging market conditions, in particular due to high jet fuel prices, the Company has incurred losses from operations, and at 30 June 2026 the reported equity is negative by USD 193.6 million. The Company's total cash balance at 30 June 2026 is USD 67.1 million. For Norse's equity situation, the existence of values in excess of its book values in the leased assets, particularly related to the significant fair value of the aircraft lease contracts, and more, imply that the fair value of its equity could be higher than the book equity.

The Company has implemented a strategic reorientation under which a significant portion of its capacity was allocated to longer-term ACMI services, with a more modest level of capacity deployed within its Own Network and a focus on its most profitable routes. This strategy was intended to increase the proportion of year-round contracted revenue and cash flows and reduce exposure to seasonality and fluctuations in passenger demand. However, as announced on 31 July 2026, the Company and IndiGo mutually agreed to discontinue the existing ACMI arrangement by the end of October 2026. The Company is pursuing alternative ACMI opportunities for the returning aircraft and intends to deploy part of the capacity within its Own Network on selected routes. The timing, terms and successful conclusion of new ACMI arrangements remain uncertain, and the revised fleet deployment may result in greater exposure to seasonality, passenger demand and short-term cash-flow volatility than envisaged in the previous business plan. These developments have been reflected in the Company's updated business plan and going concern assessment.

The Company has prepared financial forecasts that shows a positive development both in the group's financial results, financial position in terms of equity and in cash position over time. Forecasts are, however, subject to significant 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 behavior. Airline fares, freight rates and passenger demand have fluctuated significantly in the past and are expected to continue to fluctuate significantly in the future.

Specifically, the Company also is in a position of owing approximately USD 13.1 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 has started paying down overdue taxes in monthly instalments and has proactively entered into a dialogue with the US IRS aiming at establishing a formal plan of downpayment. However, a downpayment plan has not yet been formalized.

There are several uncertainties affecting the financial position and outlook for 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 continued upside potential in the commercial and financial performance of both the Company's own scheduled network and its ACMI and charter operations.

On 14 April 2026, the Company announced a proposed fully underwritten and subscribed rights issue raising gross proceeds of USD 110 million in response to the changing geopolitical situation and unprecedented jet fuel price increase impacting the global airline industry after the conflict escalation in the Middle East in late February. The Company further announced a USD 70 million bridge loan facility to fund liquidity needs pending completion of the rights issue and accelerated implementation of cost-saving initiatives. The rights issue was successfully completed and new share capital was paid-in on 30 June 2026, with net proceeds of USD 99.4 million. USD 70 million bridge loan was subsequently repaid.

On 19 August 2026, Norse Atlantic Airways AS entered into a USD 52 million senior secured financing agreement. The financing agreement matures in May 2027 and carries a fixed interest rate of 15.0% per annum. The transaction is expected to close and the proceeds received during August 2026, following satisfaction of customary closing conditions. Net proceeds will be used for general corporate purposes and to support the Group's liquidity position.

Combined with recent developments in operating and commercial performance and the transition to a balanced dual ACMI and own network operating model, the Company expects the completion of these initiatives to create a financial and liquidity position sufficient until such time as the market normalizes and the Company reaches profitability and positive net cash flows.

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 is therefore applied as basis for the Company's interim financial statements, but under the conditions present, the going concern assumption is subject to material uncertainty, taking into consideration the increased geopolitical uncertainty, volatility in fuel prices, success of implementation of initiated cost reduction program in addition to the aforementioned risk factors.

In the event that any of the actions described above are unsuccessful, in whole or in part, the consequences for the Group could be severe. If the Group will be unable to satisfy its liabilities as they fall due during the future 12 month period from the date of this report and may be forced to file for bankruptcy or be subject to involuntary insolvency proceedings, this could result in the liquidation of the Company and the Group's assets and liabilities will have to be realised. In the event of a liquidation, there is a risk that the proceeds from the realisation of the Group's assets and liabilities would not be sufficient to satisfy the claims of the Group's creditors, and holders of the Shares may lose all or substantially all of their investment. If initiated cost saving programs are not realised in full or within the anticipated timeframe, the Group's cash burn rate will remain elevated, which would further strain the Group's liquidity position and may require the Group to seek additional sources of cash paid equity and debt financing. If the Group is unable to redeploy the aircraft redelivered from IndiGo through alternative ACMI or charter arrangements and/or within its Own Network on commercially satisfactory terms, the Group's revenue and profitability may be adversely affected, while fixed aircraft lease payment obligations will continue to accrue in full. Any combination of the foregoing adverse outcomes could result in the Group being unable to continue as a going concern.

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 2025, unless otherwise stated below. Refer to Note 2 Basis of preparation and significant accounting policies in the 2025 Annual Report for information on the Company's accounting policies.

Note 4 Segment reporting and revenues

Effective 1 January 2026, the Chief Operating Decision Maker of the Company reviews the Company's performance based on two operating segments: Own Network and ACMI & Charter. The Own Network segment comprises the Company's scheduled passenger operations on its own route network, while the ACMI & Charter segment includes aircraft, crew, maintenance and insurance (ACMI) services and charter operations provided to third parties.

	Q2 2026				Q2 2025			
(in thousands of USD)	Own Network	ACMI & Charter	Non-recurring items[1]	Total	Own Network	ACMI & Charter	Non-recurring items[2]	Total
Total income	87,000	45,016	-	132,016	196,471	6,110	-	202,582
Total operating exps excl. leases, dep & amort.	(107,073)	(33,352)	-	(140,425)	(175,628)	(3,824)	-	(179,452)
EBITDAR	**(20,073)**	**11,664**	**-**	**(8,409)**	**20,843**	**2,287**	**-**	**23,130**
Depreciation and amortization	(9,048)	(9,815)	-	(18,863)	(13,965)	(4,754)	-	(18,719)
Operating profit/(loss)	**(29,121)**	**1,849**	**-**	**(27,272)**	**6,878**	**(2,468)**	**-**	**4,411**
Net financial expenses	(4,975)	(5,367)	(32,934)	(43,276)	(7,459)	(2,434)	-	(9,892)
Profit/(loss) before tax	**(34,096)**	**(3,518)**	**(32,934)**	**(70,548)**	**(580)**	**(4,901)**	**-**	**(5,482)**

	H1 2026				H1 2025			
(in thousands of USD)	Own Network	ACMI & Charter	Non-recurring items[1]		Own Network	ACMI & Charter	Non-recurring items[2]	Total
Revenue	199,893	92,438	-	292,331	264,283	34,871	28,726	327,880
Total Operating exps excl. leases, dep & amort.	(230,104)	(64,817)	-	(294,921)	(261,514)	(28,229)	-	(289,743)
EBITDAR	**(30,211)**	**27,621**	**-**	**(2,590)**	**2,769**	**6,642**	**28,726**	**38,137**
Depreciation and amortization	(17,982)	(19,796)	-	(37,778)	(26,539)	(12,413)	-	(38,952)
Operating profit/(loss)	**(48,193)**	**7,825**	**-**	**(40,368)**	**(23,770)**	**(5,771)**	**28,726**	**(815)**
Net financial expenses	(10,072)	(11,082)	(32,934)	(54,089)	(13,383)	(6,145)	-	(19,528)
Profit/(loss) before tax	**(58,265)**	**(3,257)**	**(32,934)**	**(94,456)**	**(37,153)**	**(11,916)**	**28,726**	**(20,343)**

[1]) Non-recurring, non-cash financial loss of USD 32.9 million representing the fair value of the incremental shares offered to the bondholders on early conversion (refer to Note 13.1)

[2]) Non-recurring revenue of USD 28.7 million in H1-2025 representing the gain on termination of three aircraft leases

4.1 Revenues

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Airfare passenger revenue	70,033	150,500	163,440	200,063	459,497
Ancillary passenger revenue	12,403	36,511	27,069	49,081	104,156
Total passenger revenues	**82,436**	**187,012**	**190,509**	**249,143**	**563,653**
Cargo	4,287	8,633	8,642	12,219	28,771
Total own flights	**86,723**	**195,644**	**199,151**	**261,362**	**592,425**
Charter and ACMI	45,016	6,110	92,438	34,871	84,647
Other revenue	277	827	742	1,490	26,813
Lease income	-	-	-	1,431	1,431
Total Operating Revenue	**132,016**	**202,582**	**292,331**	**299,154**	**705,315**

Airfare passenger revenue comprises only ticket revenue, while ancillary passenger revenue consists of other passenger related revenue than ticket revenue. Charter and ACMI revenue comprise 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 revenue from maintenance services provided by the Company's technical personnel to third parties and proceeds from insurance claims.

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 2025.

Note 6 Depreciation and amortization

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Depreciation of right-of-use assets	18,312	18,188	36,613	37,868	74,477
Depreciation of other tangible assets	328	278	717	562	1,126
Amortization of intangible assets	224	254	448	522	969
Total	**18,863**	**18,719**	**37,778**	**38,952**	**76,572**

Note 7 Interest expenses

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Lease liabilities interest expense	7,722	8,162	15,487	16,538	32,752
Other interest expense	4,859	1,778	8,030	2,841	7,336
Total	**12,581**	**9,940**	**23,518**	**19,380**	**40,088**

Note 8 Other financial income/(expenses)

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Other financial income/(expense)	330	394	495	397	1,168
Net foreign exchange gains/(losses)	1,909	(346)	1,867	(546)	(2,280)
Total	**2,239**	**48**	**2,362**	**(149)**	**(1,111)**

Note 9 Aircraft and other tangible assets

(In thousands of USD)	30 Jun 2026	30 Jun 2025	31 Dec 2025
Aircraft Right-of-Use assets	658,544	729,480	695,019
Aircraft rotatable inventory	5,306	5,455	6,134
Other Right-of-Use assets	1,414	589	1,482
Other tangible assets	644	690	772
Total	**665,908**	**736,214**	**703,407**

Note 10 Trade and other receivables

(in thousands of USD)	30 Jun 2026	30 Jun 2025	31 Dec 2025
Trade receivables	12,579	14,474	24,120
Other receivables	1,116	1,492	575
Total	**13,695**	**15,966**	**24,695**

Note 11 Cash and cash equivalents

(in thousands of equivalent USD)	30 Jun 2026	30 Jun 2025	31 Dec 2025
USD	61,714	13,374	8,989
NOK	4,776	3,545	2,189
GBP	417	5,514	4,629
EUR	87	1,194	993
Other	125	17	754
Total cash and cash equivalents	**67,119**	**23,645**	**17,554**
Hereof restricted cash:			
USD	-	11,400	-

Note 12 Lease liabilities

(in thousands of USD)	H1 2026	H1 2025	FY 2025
Opening balance	779,285	905,719	905,719
Additions during the period	-	-	1,037
Interest accrued	14,020	14,401	29,194
Installments and interest payments	(47,824)	(48,749)	(60,076)
Lease modifications	-	(60,076)	(96,590)
Closing balance	**745,481**	**811,296**	**779,285**
Of which:			
Due within 12 months	69,213	66,505	68,071
Due after 12 months	676,268	744,790	711,214

As at the end of the Period, Norse has a fleet of 12 leased Boeing 787-9 Dreamliners, all under fully fixed lease payments.

Note 13 Interest-bearing debt

(In thousands of USD)	30 Jun 2026	30 Jun 2025	31 Dec 2025
Shareholder loan	49,471	23,844	7,409
Convertible bonds	1,219	-	28,629
Bank overdraft facility	-	-	20,314
Total	**50,690**	**23,844**	**56,351**
Of which:			
Due within 12 months	41,683	23,844	20,314
Due after 12 months	9,006	-	36,037

13.1 Convertible bonds

In June 2026, the Company offered holders of its USD 30.0 million 8.5% senior unsecured convertible bonds, with original maturity in September 2027, the opportunity to convert their bonds into shares at an enhanced conversion price of NOK 0.50 per share to incentivize early conversion. In accordance with IAS 32 AG35, the Company recognized a non-cash financing cost of USD 32.9 million, representing the fair value of the incremental shares offered to the bondholders compared with the shares they were entitled to receive under the original conversion terms. A corresponding amount was recognized as other paid in equity and, consequently, the transaction had no net impact on total equity. This finance cost had no impact on the Company's cash position or cash flow.

Bondholders representing approximately 96% of the outstanding bonds, equivalent to a principal amount of USD 28.75 million, accepted the offer to convert their holdings into equity at a conversion price of NOK 0.50 per share. As a result, 545,932,676 new shares were issued, strengthening the Company's equity position and reducing outstanding debt.

13.2 Shareholder loan

During the second quarter of 2026, the Company utilized a USD 70.0 million bridge loan facility to support its liquidity pending completion of the rights issue. Of the total facility, USD 30.0 million was settled through set-off against subscription amounts payable by participating lenders in the rights issue, while the remaining USD 41.7 million was repaid on 8 July 2026 from the net proceeds of the rights issue. The remaining shareholder loan of USD 7.8 million is due for repayment in September 2027.

Note 14 Subsequent events

On 08 July 2026, the Company fully repaid the remaining liability of USD 41.7 million under the bridge loan facility.

On 31 July 2026, the Company announced an agreement to discontinue the ACMI cooperation with IndiGo effective from 1 November 2026. This will result in the redelivery of five aircraft to Norse, which will be deployed across own network, charter and ACMI operations.

On 19 August 2026, Norse Atlantic Airways AS, a wholly owned subsidiary of Norse Atlantic ASA, entered into a USD 52 million senior secured financing agreement. The facility matures in May 2027 at 103% of par value, carries a fixed coupon of 15.0% per annum, and issued at 95% of par value. The facility terms also include an M&A fee payable to the lenders of 3% of equity value, should a change of control or sale transaction be concluded as a result of the strategic review. The proceeds are expected to be drawn in August 2026 following satisfaction of customary conditions precedent. Net proceeds will be used for general corporate purposes and to support the Group's liquidity position.

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 kilometer. Passenger revenue defined as total revenue across airfare and ancillaries
TRASK	Passenger and cargo revenue in own network divided by ASK and reported in US cents
CASK	Cost per available seat kilometer in Own network. Used to measure the unit cost to operate each seat for every kilometer

APM	Description
CASK (excluding fuel)	Cost per available seat kilometer in Own network, excluding the cost of fuel. Used to measure the unit cost to operate each seat for every kilometer, 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 kilometer in Own network, 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

	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Airfare passenger revenue – USD thousands	70,033	150,500	163,440	200,063	459,497
Number of passengers in own network	184,365	502,737	410,088	686,043	1,492,824
Airfare per passenger – USD	**380**	**299**	**399**	**292**	**308**
Ancillary passenger revenue – USD thousands	12,403	36,511	27,069	49,081	104,156
Number of passengers in own network	184,365	502,737	410,088	686,043	1,492,824
Ancillary per passenger – USD	**67**	**73**	**66**	**72**	**70**
Revenue per passenger – USD	**447**	**372**	**465**	**363**	**378**

PRASK

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Total passenger revenue	82,436	187,012	190,509	249,143	563,653
Available seat kilometres in own network (millions)	1,411	3,909	3,328	5,407	12,014
PRASK - US Cents	**5.84**	**4.78**	**5.72**	**4.61**	**4.69**

TRASK

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Total operating revenue[1]	86,723	195,644	199,151	261,362	592,425
Available seat kilometres (millions)	1,411	3,909	3,328	5,407	12,014
TRASK - US Cents	**6.15**	**5.01**	**5.98**	**4.83**	**4.93**

[1] New definition from Q1 2026 to include only passenger revenue + cargo

CASK (cash adjusted)

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Operating profit/(loss)	(29,121)	6,878	(48,193)	4,956	29,833
Add-back					
Revenue	(87,000)	(196,471)	(199,893)	(293,009)	(649,395)
Fuel, oil and emissions costs	40,367	56,252	81,986	80,263	188,988
Costs covered by insurance claims	-	-	-	-	23,020
Depreciation	9,048	13,965	17,982	26,539	76,572
Cost (adj.) sub-total	66,706	119,376	148,119	181,250	330,981
Available seat kilometres (millions)	1,411	3,909	3,328	5,407	12,014
CASK (cash adjusted) - US Cents	**4.73**	**3.05**	4.45	**3.35**	**2.75**

CASK (excluding fuel)

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Operating profit/(loss)	(29,121)	6,878	(48,193)	4,956	29,833
Add-back					
Revenue	(87,000)	(196,471)	(199,893)	(293,009)	(649,395)
Fuel, oil and emissions costs	40,367	56,252	81,986	80,263	188,988
Costs covered by insurance claims				-	23,020
Cost (adj.) sub-total	75,754	133,341	166,101	207,789	407,553
Available seat kilometres (millions)	1,411	3,909	3,328	5,407	12,014
CASK (excl. fuel) - US Cents	**5.37**	**3.41**	**4.99**	**3.84**	**3.39**

CASK

(in thousands of USD)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Operating profit/(loss)	(29,121)	6,878	(48,193)	4,956	29,833
Add-back					
Revenue	(87,000)	(196,471)	(199,893)	(293,009)	(649,395)
Costs covered by insurance claims				-	23,020
Cost sub-total	116,121	189,593	248,086	288,053	596,541
Available seat kilometres (millions)	1,411	3,909	3,328	5,407	12,014
CASK - US Cents	**8.23**	**4.85**	**7.45**	**5.33**	**4.97**

Responsibility statement

We confirm that, to the best of our knowledge, these interim condensed consolidated financial statements for the period ended 30 June 2026, which have been prepared in accordance with IAS 34 - Interim Financial Reporting, give a true and fair view of the Company and the Group's assets, liabilities, financial position and results of operations, and that the interim report includes a fair review of the information required under section 5-6, subsection (4), of the Norwegian Securities Trading Act.

Arendal, 19 August 2026

The Board of Directors and CEO of Norse Atlantic ASA

NORSE
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