Red Technics Denmark ApS

Lufthavnsboulevarden 10,

DK-2770 Kastrup

CVR No. 42792667

Annual Report
26 October 2021 - 31 December 2022

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 14 July 2023

Chairman of the AGM
Knut Olav Irgens Høeg

Contents

Management's Statement

Today, Management has considered and adopted the Annual Report of Red Technics Denmark ApS for the financial year 26 October 2021 - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 26 October 2021 - 31 December 2022.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kastrup, 14 July 2023

Executive Board

Knut Olav Irgens Høeg Manager	Adrian Michael Dunne Manager

Independent Auditor's Report

To the shareholder of Red Technics Denmark ApS

Opinion
In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of its operations for the financial year 26 October 2021 - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Red Technics Denmark ApS for the financial year 26 October 2021 - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern; disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting in preparing the financial statements unless Management either intends to either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements
Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

*Identify and assess the risk of material misstatements in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

*Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

*Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.

Independent Auditor's Report

*Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.

*Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control which we identify during our audit.

Reporting obligations under section 7(2) of the Danish Executive Order on Approved Auditors' Reports

Non-compliance with the provisions of the Danish Companies Act on non-cash contributions
Contrary to section 44 of the Danish Companies Act, the Company has not obtained a valuation report from the auditor on issuing of new shares in connection with subsequent acquisitions from the founder (non-cash contribution), by which Management may incur liability.

Hellerup, 14 July 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselsakb
CVR-no. 33771231

Bo Schou-Jacobsen	Thomas Lauritsen
State Authorised Public Accountant	State Authorised Public Accountant
mne28703	mne34342

Company details

Company	Red Technics Denmark ApS Lufthavnsboulevarden 10, DK-2770 Kastrup
CVR No.	42792667
Date of formation	26 October 2021
Registered office	Tårnby
Financial year	26 October 2021 - 31 December 2022
Executive Board	Knut Olav Irgens Høeg Adrian Michael Dunne
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselsakb Strandvejen 44 DK-2900 Hellerup CVR-no.: 33771231

Accounting Policies

Reporting Class
The annual report of Red Technics Denmark ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

As the financial year 2022 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency
The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss
The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue
Revenue is recognised in the income statement if the services have been sold and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

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Other external expenses
Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs
Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Other staff expenses are recognised in other external expenses.

Amortisation and impairment of tangible and intangible assets
Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Goodwill	10 years	0%
Other fixtures and fittings, tools and equipment	3-10 years	0%

Financial income and expenses

Tax on net profit for the year
Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Intangible assets
Acquired goodwill is measured at cost on initial recognition and subsequently at cost less accumulated amortization and impairment losses.

An impairment test of acquired intangible assets is performed in the event of indications of a decrease in value. Furthermore, annual impairment tests are performed for ongoing and activated development projects, if any. The impairment test is performed for each individual asset and group of assets, respectively. The assets are written down to the higher of the asset's or asset group's value in use and the net selling price (recoverable amount) in the event that this one is lower than the carrying amount.

Property, plant and equipment
Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Depreciation period and residual value are reassessed annually

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct

Accounting Policies

payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.
Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Receivables
Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Prepayments
Prepayments comprise prepaid expenses concerning hangar costs and insurance.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Deferred tax
Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities
Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Other payables
Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities
Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Income Statement

	Note	2022 kr.
Gross profit		**49.135.178**
Staff cost	1	-46.325.781
Depreciation		-1.082.534
Profit from operating activities		**1.726.863**
Finance income		983.205
Finance expenses		-239.909
Profit from activities before tax		**2.470.159**
Tax for the year		-543.435
Profit		**1.926.724**

Proposed distribution of results	
Retained earnings	1.926.724
Distribution of profit	**1.926.724**

Balance Sheet as of 31 December

	Note	2022 kr.
Assets		
Goodwill		7.236.250
Intangible assets		**7.236.250**
Fixtures, fittings, tools and equipment		888.377
Property, plant and equipment		**888.377**
Fixed assets		**8.124.627**
Short-term receivables from group enterprises		5.775.613
Other receivables		1.042.917
Prepaid expenses		2.189.719
Receivables		**9.008.249**
Current assets		**9.008.249**
Assets		**17.132.876**

Balance Sheet as of 31 December

	Note	2022 kr.
Liabilities and equity		
Contributed capital		41.000
Retained earnings		10.195.724
Equity		**10.236.724**
Provisions for deferred tax		61.961
Provisions		**61.961**
Trade payables		415.777
Payables to group enterprises		3.218.194
Tax payables		481.474
Other payables		2.459.710
Deferred income, liabilities		259.036
Short-term liabilities other than provisions		**6.834.191**
Liabilities other than provisions within the business		**6.834.191**
Liabilities and equity		**17.132.876**
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Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 26 October 2021	40.000	0	40.000
Increase of capital	1.000	8.269.000	8.270.000
Profit (loss)	0	1.926.724	1.926.724
Equity 31 December 2022	**41.000**	**10.195.724**	**10.236.724**

Notes

1. Employee benefits expense

	2022
Wages and salaries	42.057.081
Post-employement benefit expense	3.560.547
Social security contributions	113.162
Other employee expense	594.991
	46.325.781
Average number of employees	50

2. Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed income of the Group etc. with Norwegian Crew Resources ApS act as administration Company. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, royalty tax and tax on unearned income. Any subsequent adjustments of corporation and withholding taxes may increase the Company's liabilities.

3. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

4. Ownership

The Company is included in the Group Annual Report of the ulitmate parent Norwegian Air Shuttle ASA. The Group Annual Report is available online and can be obtained at www.norwegian.com

Name and registered office of the Parent preparing consolidated financial statements for the smallest group.
Ultimate parent: Norwegian Air Shuttle ASA, Oksenøyveien 3, 1366 Lysaker, Norway.
Parent: Norwegian Crew Services AS, Oksenøyveien 10A, 1330 Fornebu, Norway.

5. The Company's principal activities

The company's purpose is the provision of aircraft maintenance services and related activities