

# Annual Report

2024



# 01

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# Space Norway at a glance

- Space Norway is a leading satellite operator with a recognised position within the government and commercial sectors.
- Space Norway has a multi-orbit strategy for the ownership and operation of satellites in Highly Elliptical, Geostationary and Low Earth Orbit (abbreviated as HEO, GEO, and LEO, respectively).
- Our portfolio of **communication satellites**, the THOR fleet and the Arctic Satellite Broadband Mission (ASBM), which enables us to sell and deliver broadband communications in the Arctic, Europe, the Middle East, and the North Atlantic, as well as broadcast services in the Nordic countries and Central Eastern Europe.
- The THOR 8 satellite, ordered from Thales Alenia Space for launch in 2027, has extensive capabilities that will replace THOR 5, THOR 6 and THOR 10-02. In addition, it will provide significant growth capacity in existing and new coverage areas.
- In the field of **Earth observation**, we operate the LEO satellites of the Norwegian Coastal Administration and the Norwegian Space Agency through our wholly owned subsidiary Statsat. The Application Development In Space (ADIS) satellite, which is currently under development, is a highly flexible test platform that will pave the way for future capabilities. ADIS is scheduled to be launched in 2026. The MicroSAR radar satellite is also under development, and Space Norway is planning a constellation of satellites for ocean surveillance, with the first satellite to be launched in 2027.
- In addition, Space Norway owns and operates two subsea fibre-optic cables between Svalbard and mainland Norway. On behalf of the Norwegian Government, Space Norway will establish Arctic Way, a new subsea fibre-optic cable to Jan Mayen and Svalbard. Arctic Way is scheduled to be operational in 2028.

1 ASBM 1

2 ASBM 2

3 THOR 5

4 THOR 6

5 THOR 7

6 THOR 10-02

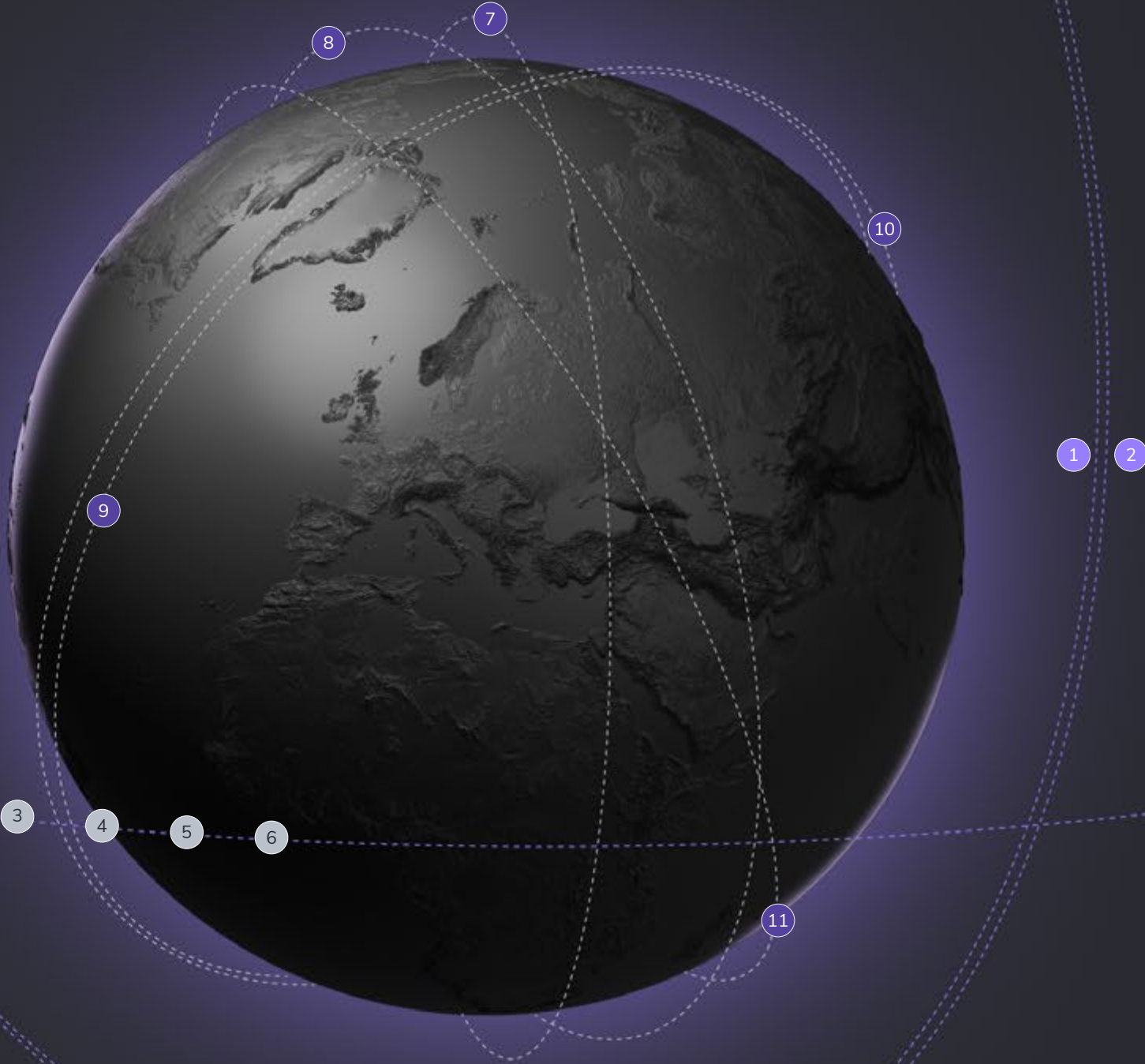
7 NorSat-1

8 NorSat-2

9 NorSat-3

10 NorSat-4

11 NorSat-TD

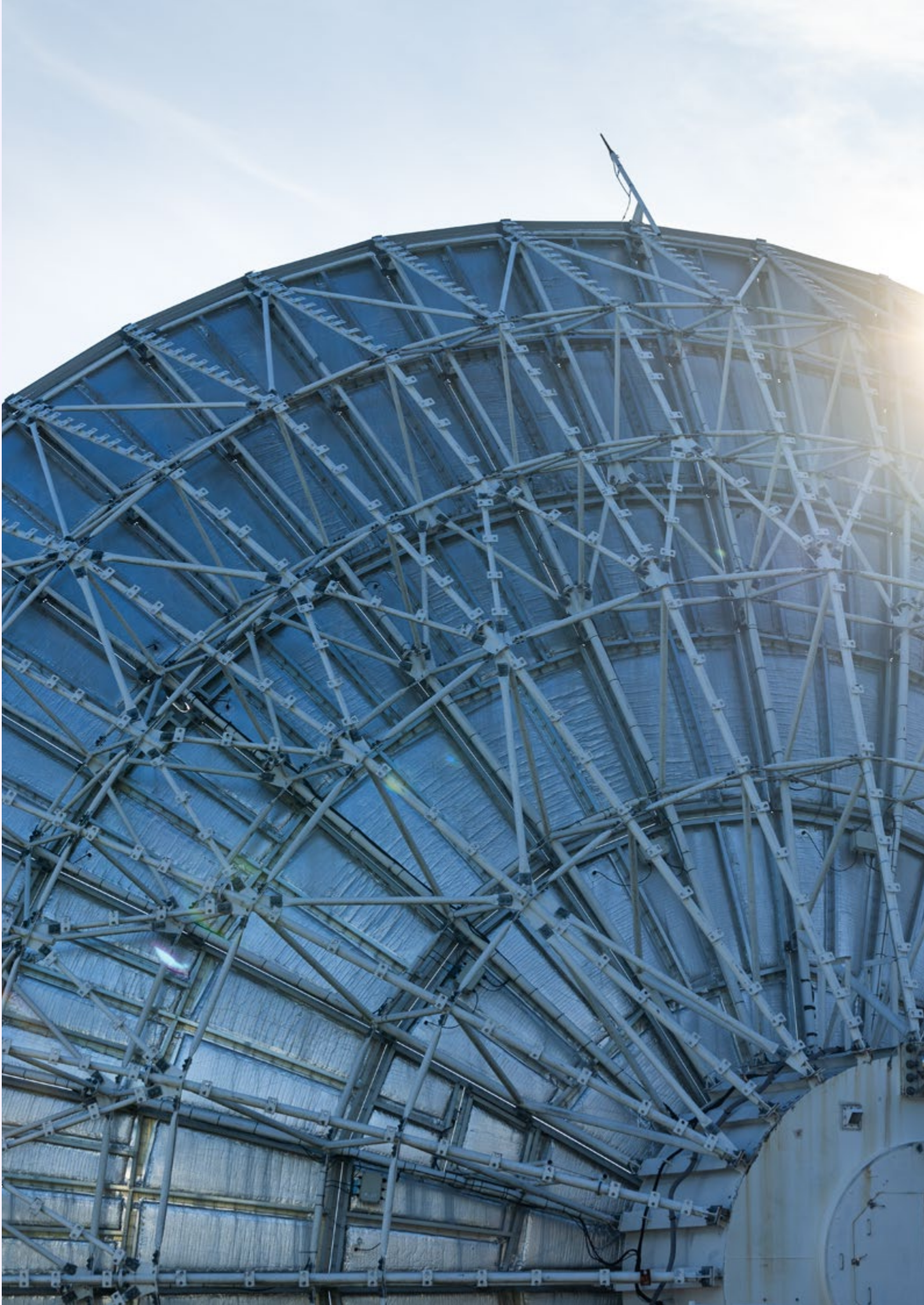




# Key financials

	2022	2023	2024
Key financials			
Revenues	820	1 039	2 195
EBITDA	234	226	775
EBITDA margin	28,5 %	21,7 %	35 %
Profit/loss for the year	66	-240	691
Operating cash flow	76	174	857
Net interest-bearing debt	-135	-2 885	-896
Equity ratio	28,4 %	52,0 %	55,4 %
Return on equity	-	5 %	6,2 %
Value of infrastructure	3 604	3 750	4 560
Operation			
Uptime Satcom	na.	na.	100 %
Uptime Earth observation	98,8 %	96,4 %	98,0 %
Uptime subsea fibre-optic cable	100 %	100 %	100 %
Organisation			
Number of employees	48	58	172
Sick leave absence	2,30 %	2,14 %	3,11 %
Environment			
CO2 emissions (tonnes)	6 764	6 895	14 382

The figures for 2022 and 2023 are pro forma numbers that include Telenor Satellite AS, even though the company was not part of the Space Norway group at that time. For further details on the figures, please see page 64.





# A word from our CEO

2024 has been characterised by significant changes in the company. The acquisition of Telenor Satellite and the launch of ASBM has strengthened Space Norway as leading satellite operator with a strong position among government and commercial customers and partners.

We will continue building an efficient and sustainable company, well-positioned to seize profitable growth opportunities in the years ahead. Further development and strengthening of the organisation and corporate governance are prerequisites for success in this endeavour.

A backdrop for developments in the satellite industry is the security situation that has arisen in recent years. Space Norway plays a key role in security in the High North, particularly within satellite solutions. Space Norway maintains national ownership and control of infrastructure vital to the nation's interest. Government customers know that Space Norway possesses the expertise and experience to develop and deliver secure, complex systems and capabilities.

Security is crucial to Space Norway. The company's security function works systematically on measures to strengthen security related to IT solutions, infrastructure and personnel.

In 2024, the cooperation with Kongsberg Satellite Services (KSAT) (50 per cent ownership interest) has been strengthened by joint operation of the ASBM satellites at KSAT in Tromsø. Space Norway already supplies satellite communication to the Troll research station in Antarctica and a fibre-optic connection to KSAT's downloading activities in Svalbard. Further development of the cooperation with KSAT and other Norwegian space actors is important for Space Norway.

The foundation of our strong market position and our ambition for further growth is the unique expertise of our employees. Further growth therefore depends on our success in attracting, developing and retaining

them. The results of our 2024 employee survey indicate that our employees are highly engaged and report strong job satisfaction. We must continue to work systematically to ensure that Space Norway remains an attractive workplace for highly skilled employees.

I have had the pleasure of managing an incredibly exciting company with talented and committed colleagues since the summer of 2024. With an eventful year behind us, our many large and challenging projects promise more of the same in the year to come. In close cooperation with the Board and our owners in the Ministry of Trade, Industry and Fisheries, we work purposefully to ensure that Space Norway is a relevant and leading company.

Finally, thank you to all employees for your fantastic efforts and brilliant results in 2024!



Morten Tengs



Space Norway has the expertise and experience to develop and deliver secure and complex space-based infrastructure that remains under national control. Morten Tengs (pictured) took over as CEO in 2024. Photo: Kilian Munch.

# Milestones of the year

2024 was a defining year for the Space Norway Group. Through the acquisition of Telenor Satellite, we strengthened our position as Northern Europe’s largest satellite operator. We finalised our ambitious ASBM project,<sup>1</sup> which has been delivering broadband coverage in the strategically significant High North since November. Moreover, we have been working intensively on several major development projects.

**Acquisition of Telenor Satellite**

Telenor Satellite became part of Space Norway Group in January 2024 and was renamed Space Norway Satcom. Space Norway has struck a good balance between mature business activities and new development projects. Thirty years of experience in satellite operations, sales and operation of satellite services are combined with significant innovative capability.

2024 has been characterised by integration efforts and the establishment of joint group functions. Several of these activities will continue throughout 2025. The success of the Group’s significant project portfolio will depend on the efficient use of expertise and resources across the entire organisation.

**Successful launch and operation of ASBM**

On 12 August 2024, SpaceX launched our two ASBM satellites. The programme was founded on a well- documented national need for satellite-based broadband services for maritime operations in the Arctic. The payloads on board are the result of an international cooperation with the US military, the global satellite operator Viasat, the European Commission and the Norwegian Armed Forces. Customers took over responsibility for their payloads in October and November 2024. The satellites and ground infrastructure are working as intended, and full operation at customer sites is planned for the first half of 2025.

The ground infrastructure in Norway was built by Space Norway’s subsidiary Kongsberg Satellite Services (KSAT)<sup>2</sup>. The satellites are operated by Space Norway in cooperation with KSAT at a new satellite operations centre in Tromsø.

The ASBM programme has put Norway on the map as the leading space actor in the Arctic. The satellites mark both the first dedicated Arctic satellite communication assets and Norway’s first military space capability. This project is not only Norway’s largest space venture to date but also the first instance of the US military deploying a National Security Payload on a non-US satellite. The programme has attracted considerable attention both at home and abroad.

**New subsea fibre-optic cable to Svalbard and Jan Mayen**

In December 2024, a contract was signed with the US company SubCom for the construction of a new subsea fibre-optic connection to Jan Mayen and Svalbard. The new connection has been named Arctic Way. Arctic Way is scheduled to become operational by 2028, ahead of the expected end of the technical lifespan of the current fibre-optic cables to Svalbard.



The Arctic Satellite Broadband Mission was launched on board SpaceX’s Falcon 9 rocket from Vandenberg Space Force Base in California, USA.

<sup>1</sup>Arctic Satellite Broadband Mission

<sup>2</sup>KSAT is a joint venture owned 50/50 by Space Norway AS and Kongsberg Defence & Aerospace AS.



# Our goals and strategies

Space Norway's operations have been significantly strengthened both through the acquisition of Telenor Satellite and the successful launch of ASBM.

We have a stronger operational, financial and commercial position, which is a good starting point for continued growth. The two companies had different and complementary skills that make us equipped to combine regulatory requirements and commercial opportunities. Space Norway is now of a size and complexity that places new and higher demands on the organisation, including in terms of corporate governance and reporting.

Based on significant changes in the business and considerable potential for further growth and development, the Group undertook a comprehensive strategy review in 2024. The Board has approved a new Strategic Plan

for 2025-2030, which will now be operationalised and implemented. It will be subject to annual review.

The strategic initiatives represent specific business opportunities we are working to realise during the strategy period. The priority areas are areas we need to strengthen in order to succeed with the strategic initiatives and further develop the company towards the next generation of strategic initiatives.

Key Performance Indicators (KPIs) and milestones have been set for each of the initiatives and priority areas. Externally, we will communicate five overarching Group targets that we believe indicate strategic goal attainment:

Long-term goals	Indicator	2024	Goal 2025–2029
Infrastructure development	Book value of fixed assets in use and under development, in billion NOK (1)	5,868	
Profitability	Return on equity (per cent per year) (2)	6,2 %	7,5 %
Operational reliability	Uptime communication satellites (3)	99,994 %	99,95 %
	Uptime Earth observation satellite (4)	98,0 %	97,0 %
	Uptime subsea fibre-optic cable	100 %	99,995 %
Sustainability	In the course of 2025: Establish a factual basis and analysis that enables the setting of realistic and sufficiently ambitious goals for our priority areas.	insufficient data for analysis	TBD
Employee engagement	Job satisfaction (5)	77	Improvement

(1) Defined as total fixed assets minus goodwill and intangible assets.

(2) Profit/loss for the year with normalised tax and adjusted for reversal of impairment/equity (average) as reported in accordance with applicable accounting principles.

(3) Average of the satellites THOR 5, THOR 6, THOR 7, and ASBM 1 and 2.

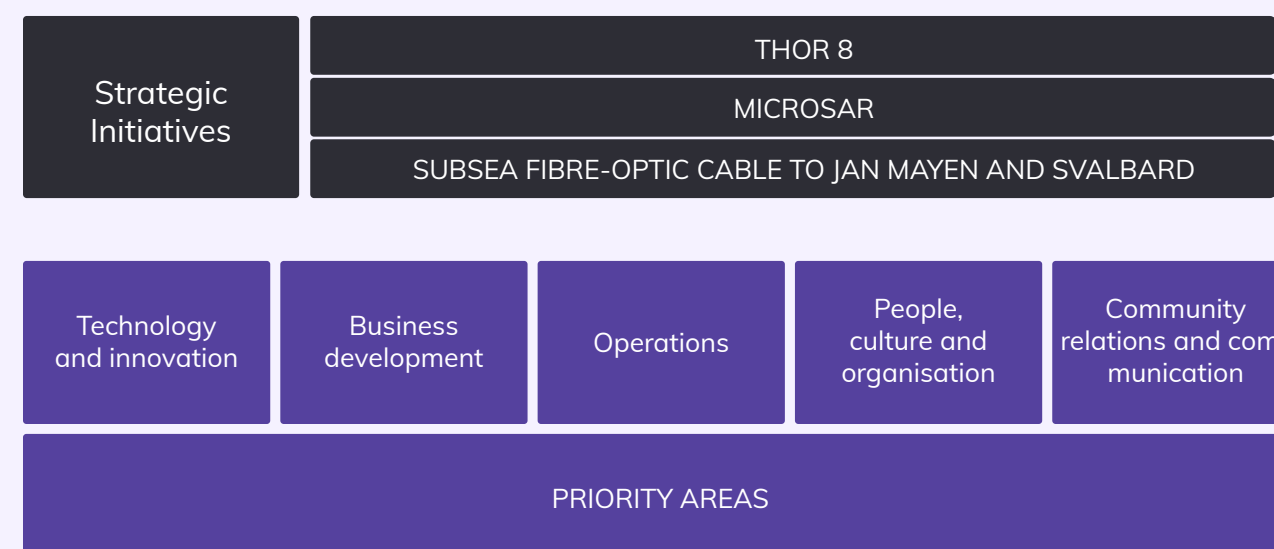
(4) The AIS satellites for the Norwegian Coastal Administration.

(5) In accordance with our employee survey, the goal is improvement compared to the previous year.

Overall, the Group's strategy can be summarised as follows:

## Overarching Strategy 2025-2029

Space Norway shall be an internationally recognised high-quality supplier of satellite services.  
We shall harness the potential of combining national needs and commercial opportunities.  
Our decisions emphasise sustainability.



A sustainable strategy that ensures realisation of synergies in the market, operations and support functions

# 02

## Our business areas

Space Norway has structured its operations into three business areas: Satcom, Earth observation, and Subsea fibre-optic cables. Innovation and development work across the business areas.



# Satcom

Our largest business area

Satcom is our largest business area and consists of Broadcasting, which sells transmission capacity to broadcast aggregators including Allente and M7, and Data Services, which sells data communication services. In addition, we have decided to incorporate ASBM, which provides data communication in the Arctic, from 1 February 2025.

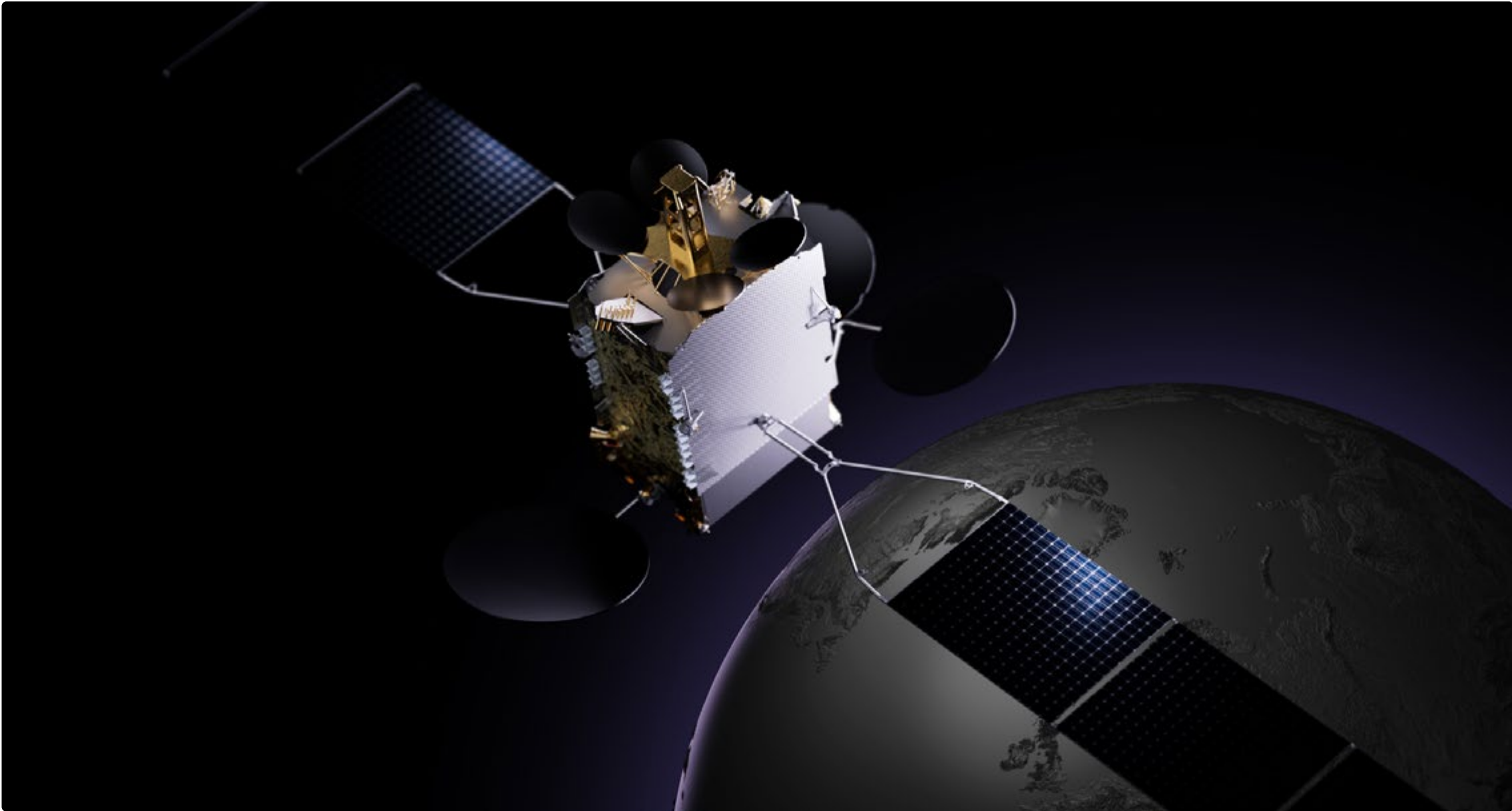
Satcom was previously structured as a wholly owned subsidiary of Telenor. For a number of years, Satcom has succeeded in a satellite communications market characterised by significant structural changes. Over-the-top streaming services and other distribution technologies are gradually displacing the market of Broadcasting. LEO<sup>3</sup> constellations such as Starlink are affecting services and prices in the data services market at the same time as overall market demand is increasing.

Data Services has succeeded in building a business based on maritime broadband communication. This business area has been at the forefront of creating integrated end-to-end communication solutions, known as managed services. Similarly, capacity has also been delivered to this market on a wholesale basis by selling raw satellite capacity to other satellite operators or operators of closed networks. The growth in Data Services compensates for the reduction in Broadcasting. The Broadcasting market remains significant and constitutes the largest business area.

Business activities in Broadcasting and Data Services are based on the sale of capacity from the company's geostationary satellite fleet<sup>4</sup> in conjunction with associated service production on the ground.<sup>5</sup> All THOR satellites are controlled from the head office at Fornebu, with the exception of THOR 10-02, which is controlled by Intelsat in Washington, D.C. We prioritise delivering excellent customer support and service routines, and consistently achieve high levels of customer satisfaction.

## New initiatives

The THOR fleet will need to undergo renewal in the coming years. We are in final negotiations with Thales Alenia Space regarding the construction of THOR 8.<sup>6</sup> This satellite will replace several older satellites (with significant revenue) with a single new satellite specially designed to serve three different market segments (broadcasting, data communications and government use). THOR 8 will be operational towards the end of



2027. It will hit the market at a time when Starlink and other LEO systems are expected to dominate managed services.

Broadcasting, wholesale and government use will remain strong niche markets that THOR 8 is well positioned to capitalise on. At the same time, the satellite will serve as an important pillar for national capability and control over satellite communications.

In parallel with this investment in new satellite capacity, Satcom is working to incorporate communication services from one or more LEO constellations into its service portfolio. We are working to form a strategic partnership in this regard.<sup>7</sup>



Space Norway is dedicated to expanding its reach and capabilities by advancing its multi-orbit strategy, enhancing connectivity and security, and serving both government and commercial sectors. Illustration: THOR 8.

<sup>3</sup> Low Earth Orbit  
<sup>4</sup> THOR 5, 6, 7 and 10-02 positioned at 1° West  
<sup>5</sup> Mainly produced at Nittedal Teleport.  
<sup>6</sup> The contract was signed in February 2025  
<sup>7</sup> In February 2025, it was announced that Space Norway had signed an agreement with Telesat to build the LEO constellation Lightspeed, which will be ready for operation in 2028. The system has been designed from the ground up to prioritise security and accessibility for high-demand government applications. The agreement expresses an intention to enter into a partnership for the resale of Lightspeed capacity. A finalised agreement is expected in the second half of 2025. In parallel, Space Norway is working to negotiate a distribution agreement with another LEO operator that already



# Earth Observation

## Advanced surveillance technology

Earth Observation is responsible for developing and realising satellite capabilities to monitor conditions on land and at sea. Priority is given to capabilities that support the Norwegian authorities' need for situational awareness. Nevertheless, the business area will also generate revenue through global sales of data and services in the commercial market

### MicroSAR

MicroSAR is a Synthetic Aperture Radar (SAR)<sup>8</sup> satellite specially designed for the national need for ocean surveillance. The aim is to deliver a service with sufficient resolution to almost continuously classify smaller and larger vessels in vast ocean areas. The system operates regardless of weather or lighting conditions, and whether or not vessels are equipped with their own transmitters (e.g., AIS<sup>9</sup>). The Norwegian Armed Forces is the anchor customer in the project. It has also attracted significant interest from other countries and authorities.

Surrey Satellite Technology Ltd (SSTL) is constructing the satellite platform and integrating the payloads on board the satellite. The payloads will largely be developed by Norwegian suppliers. Operations and ground solutions are carried out in close cooperation with Kongsberg Satellite Services (KSAT).

The plan is to launch the first MicroSAR satellite with SpaceX in 2027. The goal is to have a full constellation of MicroSAR satellites by 2030.

### AOS

Arctic Ocean Surveillance (AOS) is an initiative by the Norwegian Space Agency to develop, build and operate two national satellites for surveillance of Norwegian waters. Space Norway is assisting Eidel as an advisor during the construction of their AOS-D satellite (demo satellite) and will also supply payloads for the satellite. Space Norway will then assist in demonstrating the functionality of the satellite. Our goal is for this demonstration satellite to become an operational capability that benefits Norwegian authorities.



+ With MicroSAR, it becomes possible to classify all vessels in a very large maritime area.

Photo: Torbjørn Kjosvold, Norwegian Armed Forces.

<sup>8</sup> Synthetic Aperture Radar (SAR) utilises radio waves and a special processing method to generate detailed images of the Earth's surface. As the satellite or aircraft moves, data collected from multiple positions are combined, enabling the radar to simulate a larger antenna aperture and thereby achieve higher resolution. SAR works regardless of weather and lighting conditions. This technology is often used in mapping, surveillance and remote sensing.

<sup>9</sup> AIS is an automatic identification system for ships. The AIS network consists of land and satellite-based AIS, and the network is operated by the Norwegian Coastal Administration. AIS is an important surveillance tool for the Norwegian Coastal Administration and for national coastal emergency preparedness. (Source: Norwegian Coastal Administration)



# Innovation and development

## New concepts and robust systems

The ASBM and MicroSAR programmes are the result of a long-standing commitment to Innovation and Development (IoD) at Space Norway. We are investing more than ever in the development of new satellite systems. These efforts are carried out in close dialogue with users and in cooperation with leading national and international technology suppliers. Social benefit, sustainability and long-term profitability are important guiding principles for our innovation efforts.

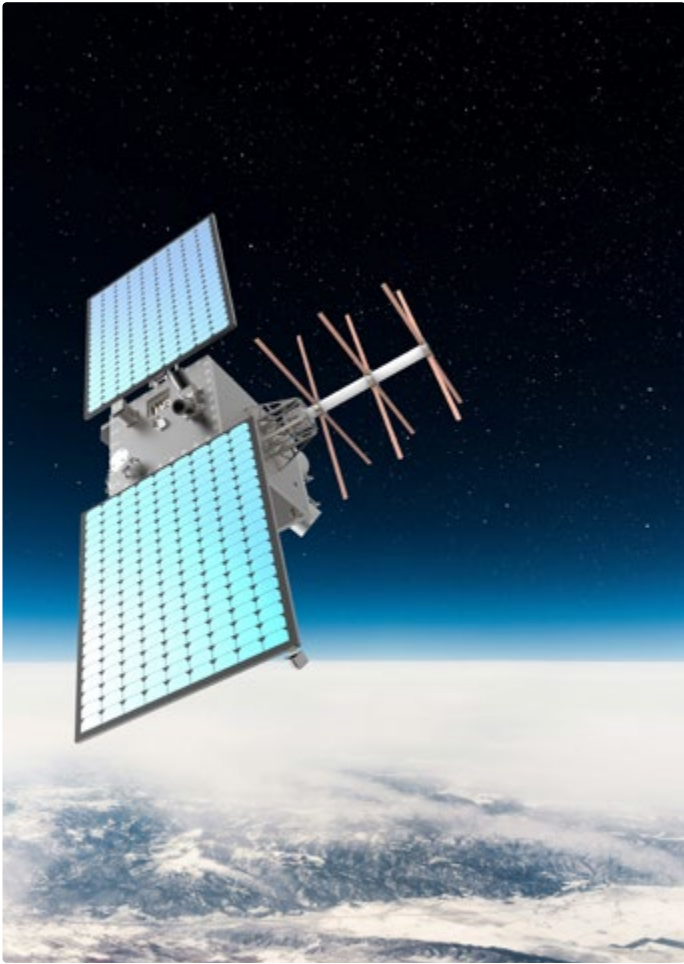
Over time, we have established a competence environment that has broad system knowledge, industrial procurement expertise and the ability to implement regulatory requirements. The central IoD department at Space Norway works closely with the business areas. Contracts with the European Space Agency (ESA), as well as good cooperation with the Norwegian Space Agency, contribute to strengthening our priority areas.

The most important areas of activity in 2024 were related to the ADIS project and the further development of the VHF Data Exchange System (VDES) infrastructure. In addition, we have worked extensively on the study and design of new concepts for more robust systems in communication, Earth observation and navigation. We are seeing growing synergies across these three areas by combining both existing and future satellites positioned in different orbital planes. Access to Satcom's infrastructure creates new opportunities.

### ADIS

Through the ADIS programme,<sup>10</sup> Space Norway will establish a highly flexible platform for research and development (R&D), innovation and business development. The satellite has been developed both to meet Space Norway's own needs and to provide access for third parties. The project is progressing well, and the launch of the ADIS satellite in LEO is scheduled for Q1 2026.

The satellite platform is delivered by OHB Sweden. ADIS will support a very wide frequency range through a Software Defined Radio provided by WideNorth. It can be utilised for various purposes including communication, Earth observation and navigation. Among other things, the satellite will be used to demonstrate Internet of Things (IoT) services and support regulatory processes.



+ One of the major innovation projects is the ADIS satellite. This will serve as a laboratory in space not only for Space Norway, but also for others. The satellite is scheduled for launch in 2026.

### VDES

ADIS will also be equipped with a VDES<sup>11</sup> payload supplied by Kongsberg Discovery Seatex. VDES is a further development of AIS. The system will improve maritime safety and enable two-way communication, and is being promoted by the international and national maritime safety authorities. The standard for maritime equipment is expected to take effect from 2027.

Space Norway is in dialogue with the ESA and the Norwegian Space Agency to establish an ARTES HUB<sup>12</sup> project. This is part of the further development of our infrastructure and the promotion of VDES nationally and internationally.



# Subsea fibre-optic cable

## Essential for the Svalbard community

The subsea fibre-optic cable business area is responsible for the operation of the company's two subsea fibre-optic cables between Harstad and Longyearbyen. In addition, there are plans to establish the Arctic Way, a new subsea fibre-optic connection from Bodø to Jan Mayen and Svalbard.

### The Svalbard cables

The subsea fibre-optic connection to Svalbard was commissioned in 2004 and consists of two cables from Harstad, via Andøya to Longyearbyen on Svalbard. This connection was originally established to provide

transmission capacity for satellite data downloaded at the Svalbard Satellite Station (SvalSat).<sup>13</sup> Since then, the subsea fibre-optic connection has also become increasingly important for maintaining normal public services and functions for the population, business sector, research institutions and Norwegian authorities on Svalbard. The expected technical lifetime of the current two cables will be reached at the end of 2028. However, the plan is to continue operating the cables for as long as it is technically possible and economically viable.

<sup>10</sup> Application Development Infrastructure in Space  
<sup>11</sup> VHF Data Exchange System, a communication system used in maritime settings to exchange data over the VHF frequency band.  
<sup>12</sup> Advanced Research in Telecommunications Systems (ARTES). ARTES HUB serves as a central platform to support innovation and development in satellite communications.  
<sup>13</sup> Kongsberg Satellite Services owns and operates SvalSat.



# Arctic Way

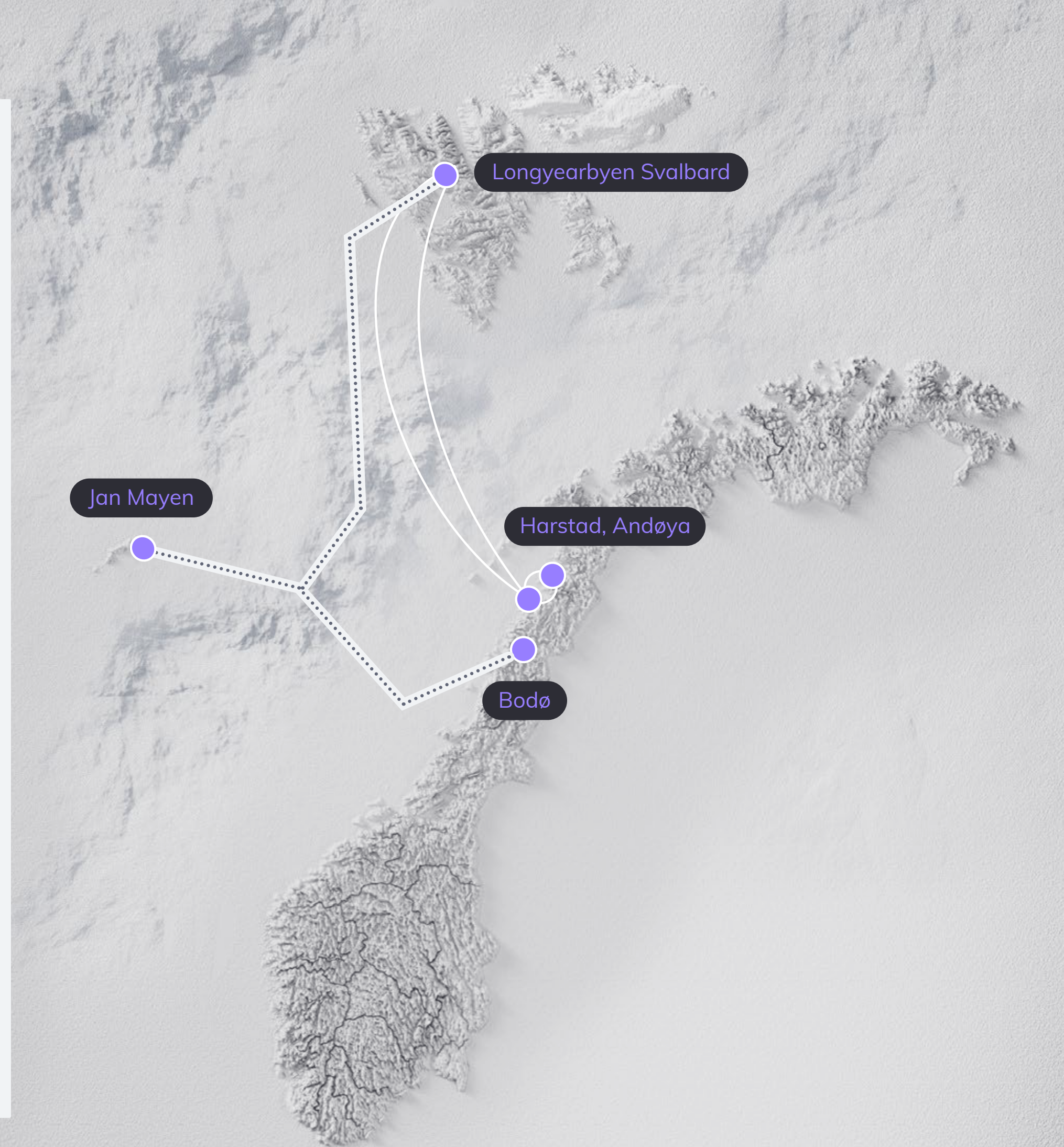
Subsea communication cable

Over the past year, Space Norway has been planning a new subsea fibre-optic connection to Jan Mayen and Svalbard. The new connection has been named Arctic Way. Arctic Way is scheduled to be operational in 2028. The Norwegian Armed Forces requested that Space Norway establish a subsea fibre-optic connection to Jan Mayen. Establishing the subsea fibre-optic cables to Jan Mayen and Svalbard at the same time will be a cost-effective solution in terms of investment and operating costs. In December 2024, a contract was signed with the American company SubCom. The plan is for Arctic Way to deliver a redundant subsea fibre-optic connection by continuing to use the current subsea fibre-optic cables for as long as it is economically viable to keep them in operation.

The project will be presented to the National Assembly and will be financed by the Ministry of Trade, Industry and Fisheries.<sup>14</sup>

+ The illustration shows both existing and planned (dotted line) subsea cables to Jan Mayen and Svalbard.

<sup>14</sup> The project was approved by the National Assembly in March 2025.





# Kongsberg Satellite Services

Jointly controlled entity

Kongsberg Satellite Services (KSAT) is a jointly controlled entity owned 50/50 by Space Norway and Kongsberg Defence and Aerospace.<sup>15</sup> KSAT is a world leader in its markets. The company has two main business areas: ground station services (GN), which is the company’s largest business area, and Earth observation services (EO) based on satellite information.

KSAT’s operations include running ground stations for communication with satellites, operating satellites in polar orbits, receiving and processing data in near real-time, and providing services related to the operational use of such data. KSAT particularly prioritises marine applications.

The company is headquartered in Tromsø and operates 28 ground stations in various countries. The operations are managed from the Tromsø Network Operations Center (TNOC), which is affiliated with the headquarters. KSAT has branch offices in Svalbard, Oslo, Stockholm, and Denver. Additionally, the Group conducts business with permanent establishments in several countries.

KSAT had 522 employees at year-end 2024.

KSAT has experienced significant growth over several years and has delivered strong results.

Revenue in 2024 was NOK 2,236 million, compared with NOK 1,900 million in 2023. Of the total revenue, 77 per cent was generated from customers outside Norway. The focus on the small satellite market has yielded good results, and KSAT Lite has become important to the Group’s overall business.

KSAT has long-term contracts with most of the world’s leading space organisations in addition to key commercial actors. KSAT’s leading international position is based on extensive operational experience, technical expertise and cost-effective infrastructure with unique geographical locations. This is combined with over 20 years of experience in developing and delivering satellite-based services with an emphasis on maritime applications. The customer base is stable, and the operational perspective is long-term. Key figures for the last two financial years are shown in the table below.

KSAT has continued its strong growth as a company. SvalSat is the company’s largest and most important satellite station in an international network of downloading stations.

Our ownership of 50 per cent of the shares in KSAT is a strategically important part of the Group. We have chosen to add important activities to the company, including those related to ASBM and MicroSAR.

Kongsberg Satellite Services AS, konsern	2024	2023
Operating revenues	2 236 496	1 900 306
EBITDA	634 524	624 228
Operating profit/loss	387 766	415 779
Profit/loss after tax	305 643	338 396
Total fixed assets	2 164 722	1 873 734
Total current assets	909 955	855 246
Total assets	3 074 677	2 728 980
Total equity	1 967 286	1 801 501
Total liabilities	1 107 391	927 479
Number of employees	522	357

<sup>15</sup>Kongsberg Defence and Aerospace is a division of the publicly traded Kongsberg Gruppen ASA.



+ + +

# 03

+ + +

## Corporate governance

### Compliance with the Norwegian Code of Practice for Corporate Governance

The Norwegian Corporate Governance Board (NCGB) has published the Norwegian Code of Practice for Corporate Governance. The Code of Practice contains recommendations on corporate governance for companies listed in Norway and clarifies the respective roles of shareholders, the board, and executive management beyond what is required by law. The Code of Practice is intended to strengthen trust in companies among shareholders, the capital market, and other stakeholders. It is primarily intended for publicly traded companies, though most of the principles are also applicable to unlisted companies.

Recommendation			Space Norway's approach
1	Implementation and reporting on corporate governance	The board must ensure that the company implements sound corporate governance. A joint report shall cover each section of the Code of Practice. Deviations shall be explained	Space Norway complies with the recommendations that are relevant to us. Any deviations or non-applicability are explained.
2	Business	The company's articles of association should clearly describe the business that the company shall operate. The board should define clear objectives, strategies and risk profiles for sustainable value creation. These are to be evaluated annually.	<p>Space Norway's Articles of Association stipulates that the company's purpose is "to manage and further develop security-critical and cost-effective space-related infrastructure that addresses important Norwegian societal needs". There is ongoing work to assess the need for adjustments to better encompass the company's commercial activities.</p> <p>The Board establishes the company's objectives, strategies and risk profile, which support the central government, as owner, in its overarching goal for the company of achieving "the highest possible return over time within sustainable frameworks." When necessary and at least once a year, the Board conducts assessments and processes to ensure that the Group's objectives, strategies and risk profile are thoroughly integrated. Sustainability considerations are integrated into these processes and assessments.</p>
3	Equity and dividends	<p>The board should ensure:</p> <ul style="list-style-type: none"><li>• a capital structure that is appropriate to the company's objective, strategy and risk profile</li><li>• a clear and predictable dividend policy</li></ul> <p>Any proposal for the board to be given a mandate to approve the distribution of dividends should be explained. Mandates granted to the board to increase the company's share capital should be intended for a defined purpose and be limited in time to no later than the date of the next annual general meeting.</p>	<p>Space Norway is 100 per cent owned by the Norwegian State. As a shareholder, it sets expectations for the level of dividends, and also has the opportunity to decide on dividends in its wholly owned companies.</p> <p>The company continually emphasises that equity shall be adapted to the company's objective, strategy and risk profile. The Board continuously monitors the company's equity and liquidity positions, which serve as the basis for its dividend recommendations.</p>
4	Equal treatment of shareholders	Any decision to waive the pre-emption rights of existing shareholders to subscribe for shares in the event of an increase in share capital should be explained and publicly disclosed.	Space Norway is 100 per cent owned by the Norwegian State. This recommendation is therefore not relevant.



Recommendation			Space Norway's approach
4	Equal treatment of shareholders. Cont.	Any transactions the company carries out in its own shares should be carried out either through the stock exchange or at prevailing stock exchange prices.	
5	Shares and negotia-bility	The company should not limit any party's ability to own, trade or vote for shares in the company. An account should be provided of any restrictions.	Space Norway is 100 per cent owned by the Norwegian State. This recommendation is therefore not relevant.
6	General meetings	The board should ensure that the company's shareholders can participate in the general meeting.	Space Norway is 100 per cent owned by the Norwegian State. This recommen-dation is therefore not relevant.
7	Nomination commit-tee	The company should have a nomination committee and the nomination commit-tee should be laid down in the compa-ny's articles of association. There are also several recommendations regarding the organisation of the committee.	Space Norway is 100 per cent owned by the Norwegian State. This recommendation is therefore not relevant.
8	Board of directors: composition and inde-pendence	<p>The composition of the board should safeguard:</p> <ul style="list-style-type: none"><li>• the common interests of all shareholders</li><li>• the company's need for expertise, capacity and diversity</li><li>• independence from the company's executive personnel and material business contacts</li><li>• independence from the company's main shareholder(s)</li></ul> <p>The general meeting should elect the chair of the board. The term of office for board members should not be longer than two years at a time. The annual report should provide information on:</p> <ul style="list-style-type: none"><li>• attendance at board meetings</li><li>• matters to illustrate the expertise of the board members</li><li>• which members are considered to be independent</li></ul> <p>Members of the board should be encouraged to own shares in the company.</p>	<p>Space Norway is 100 per cent owned by the Norwegian State. This recommendation is therefore only partially relevant.</p> <p>Space Norway's Board has broad expertise covering a number of disciplines that are particularly relevant to the company. This includes tele-communications, satellite operations, finance, management, security and corporate governance. All board mem-bers are considered to be independent. The General Meeting elects the Chair of the Board, and board members are elected for up to two years at a time. The shareholder-elected members of Space Norway's Board consist of three men and three women. Their experience is described in the chapter Board of Directors of Space Norway AS on page 34. Eight board meetings were held in Space Norway in 2024.</p> <p>As Space Norway is 100 per cent owned by the Norwegian State, it is not possible for board members to own shares in the company.</p>

Recommendation			Space Norway's approach
9	The work of the board	<p>The board should issue instructions for its own work as well as for the exe-cutive management with particular emphasis on how agreements with related parties are to be handled. Such agreements should be presented in the annual report. Members of the board and executive personnel should make the company aware of any material interests that they may have in items to be considered by the board.</p> <p>The board should consider having an audit committee and a remuneration committee, and also provide details in the annual report of any board committees appointed. The board should evaluate its performance and expertise annually.</p>	<p>Space Norway has instructions for its Board of Directors, last updated in April 2025. This is considered to cover and address the recommendations in the NCGB Code of Practice.<sup>16</sup></p> <p>The Board adopts an authorisation matrix for the Group. The matrix was last updated in spring 2024.</p> <p>In December 2024, the Board decided to establish an audit committee, and in February 2025 a remuneration committee.</p> <p>The Board conducts an annual self-evaluation – most recently in December 2024.</p>
10	Risk management and internal control	The board must ensure that the company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The board should carry out an annual review of the company's most impor-tant areas of exposure to risk and its internal control arrangements.	<p>The Group's governing documents, including Board instructions, Governing Principles and Code of Conduct, stipulate how management and governance in the Group is to be exer-cised. The documents set Group-wide requirements for conduct in key areas and processes. As a result of the merger with Telenor Satellite, the Group is now in the process of establishing a common policy framework and procedures. Risk management and internal control are to be integrated into the Group's proces-ses. This work will be finalised in 2025, and is closely monitored by the Board's Audit Committee.</p> <p>An overall assessment of the Group's risk is carried out twice a year. The as-sessment is brought before the Board. Risk is assessed and managed on the basis of probability and consequence in several dimensions: strategic, financial, operational, reputational and HSE.</p>
11	Remuneration of the board	The remuneration of the board should reflect the board's responsibility, expertise, time commitment and the complexity of the company's activities.	The General Meeting approves the remuneration paid to board members. Board remuneration is not linked to the company's performance.

<sup>16</sup>Norwegian Corporate Governance Board

Recommendation		Space Norway's approach	
11	Remuneration of the board. Cont.	The remuneration of the board should not be linked to the company's performance. The company should not grant share options to board members. Members of the board and/or companies with which they are associated should not take on specific assignments for the company in addition to their appointment as a member of the board.	Owner-elected board members normally do not have additional duties for the company. No fees have been paid for other assignments.
12	Remuneration of executive personnel	The guidelines on the salary and other remuneration for executive personnel must be clear and easily understandable. They must contribute to the company's commercial strategy, long-term interests and financial viability.  The company's arrangements in respect of salary and other remuneration should help ensure that executive personnel and shareholders have convergent interests. Performance-related remuneration should be subject to an absolute limit.	Space Norway adheres to the central government's guidelines for executive remuneration. The Group's executive remuneration report and guidelines for the remuneration of senior executives are available on our website <a href="http://www.spacenorway.com">http://www.spacenorway.com</a> .
13	Information and communications	The board should establish guidelines for the company's reporting and contact with shareholders based on openness and requirements of equal treatment of shareholders.	Space Norway is 100 per cent owned by the Norwegian State. This recommendation is therefore not relevant
14	Take-overs	The board should establish guiding principles for how it will act in the event of a take-over bid, including to ensure equal treatment of shareholders.	Space Norway is 100 per cent owned by the Norwegian State. This recommendation is therefore not relevant.
15	Auditor	The board should: <ul style="list-style-type: none"><li>• ensure that the auditor submits an annual audit plan</li><li>• invite the auditor to meetings that deal with the annual accounts</li><li>• review the company's internal control procedures with the auditor at least once a year</li><li>• establish guidelines for the executive management's right to use the auditor for non-audit services.</li></ul>	Space Norway changed auditor in 2024. The new auditor is Deloitte. The Board met the new auditor for the first time in December.  In accordance with the agreement, the auditor shall present a plan for the work each autumn. The plan is subsequently presented to the Board.  The auditor participates in board meetings where the Board considers the annual accounts.  The agreement with the auditor assumes that other assistance is agreed separately in a separate engagement letter, and that prior authorisation is obtained from the Board for such engagements.

## Risk management

Good risk management plays a key role in the governance of Space Norway. An overall assessment of the Group's risk is carried out twice a year. The assessment is brought before the Board. Risk is assessed and managed on the basis of probability and consequence in several dimensions: strategic, financial, operational, reputational and HSE. Risk mitigation measures are implemented for all significant risks, to the extent that the risks can be influenced. The effect of the measures is assessed continuously. We have a strong culture of security and extensive experience in complying with the requirements of the Norwegian Security Act. This is discussed in more detail in the chapter on National security (X2) on page 59.

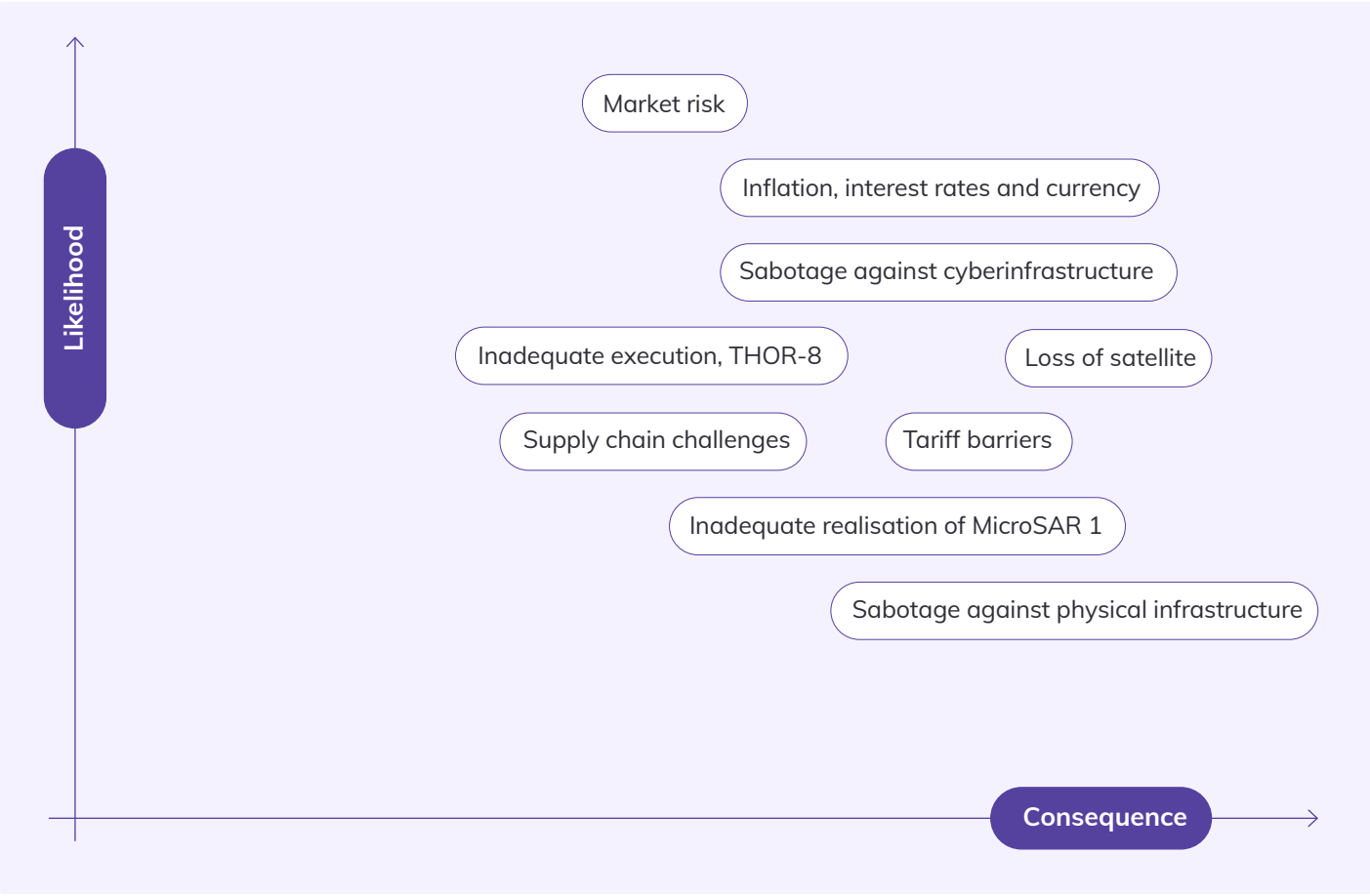
**Risk analysis**  
In the figure below, we have included our most significant risks.

**Market risk**  
Market risk represents a significant exposure for Space Norway. We operate in a globally competitive market.

This applies especially to Satcom broadly, and to Data Services specifically. This reflects a significant impact from LEO constellations, primarily Starlink. They have significantly impacted prices and demand in certain segments.

**Loss of a satellite**  
Downtime is probably the most important risk factor for any satellite operator. The probability of losing a satellite is low, but the consequences of loss can be significant. The risk is managed partly by insuring fixed assets and partly through reserve capacity. The loss of a satellite would still have an adverse net effect for Space Norway. In 30 years of satellite operations, the company has never experienced the loss of a satellite or significant operational disruptions related to the company's satellites.

**Inflation, interest rates and currency**  
The business has significant revenues and expenses in other currencies, particularly US dollars (USD) and euros (EUR).





Currency hedging is an important tool for large contracts, and a significant portion of the currency exposure over the next 3–4 years will be hedged through forward contracts. This applies, for example, to the main contract for THOR 8 and to dollar revenues related to ASBM. The joint venture, Kongsberg Satellite Services (KSAT), has a large part of its revenues in USD and EUR and is therefore exposed to currency risk.

The company has approximately USD 75 million in loans related to HEOSAT, but had no other interest-bearing debt as of 31.12.24. There is an interest rate risk associated with this loan.

**Sabotage against cyberinfrastructure**

Threats to IT systems are a growing challenge for both businesses and the public sector. In addition, it is part of the national threat picture, which is relevant to Space Norway. Any disruptions resulting from accidents, errors, sabotage, or deliberate hacking of IT systems can lead to operational interruptions, loss of information, reputation damage and significant adverse financial consequences. The group's operations particularly involve active work with security in the areas of technology and safety-critical infrastructure. Efforts to improve resilience and mitigate IT-related risk are ongoing and systematic in a landscape where the risk situation is constantly changing.

**Tariff barriers**

Tariff barriers pose a risk to Space Norway as an international satellite operator for several reasons. They could potentially increase the cost of importing necessary equipment and technology, delay deliveries of critical components and limit our access to global markets.

**Supply chain challenges**

Our infrastructure relies on highly specialised equipment, which can at times result in significant dependence on individual suppliers. We are also seeing an increase in demand for components in the market, resulting in longer lead times for components we rely on.

**Inadequate implementation – THOR 8**

A satellite project of THOR 8's scale and technological complexity will always involve a significant risk, as unforeseen changes and delays have potentially serious financial consequences. Space Norway has considerable experience with similar projects, and by following the company's best practice, it is well placed to handle the project.

**Sabotage against physical infrastructure**

The geopolitical situation has demonstrated that the risk of sabotage is high. Important physical assets must be secured, both physically and through redundant solutions. Space Norway manages important systems consisting of digital solutions, physical assets and infrastructure that require protection.





# Management and board presentation

## The Board of Space Norway AS



Space Norway's board of directors. Front (left to right): Per Atle Våland and Ann-Kari Heier. Back (left to right): Morten Haga Lunde, Siri Løvlund, Svein Olav Munkeby, Ingelin Drøpping, Tom Westby, and Tore Olaf Rimmereid. Photo: Thomas Brun / NTB

**Svein Olav Munkeby,**  
Chair of the Board and Chair  
of the Remuneration Committee,  
born 1967

Master of Management (NTNU) /  
Global Management (INSEAD)

**Tore Olaf Rimmereid,**  
Board Member and Chair of the  
Audit Committee, born 1962

Master of Science in economics  
and business administration  
and authorised financial analyst  
(Norwegian school of economics)

**Ann-Kari Heier,**  
Board Member, born 1966

Chartered engineer  
(NTNU, Technical Cybernetics)

**Siri Løvlund,**  
Board Member, born 1978

Chartered engineer  
(NTNU, electronics and  
telecommunications)

Svein Olav Munkeby has extensive management experience in strategy and business development in his roles as executive vice president, CEO and sales and marketing director in various groups in the IT, telecoms and energy industries. He also has extensive experience with board work in various companies and has contributed to the establishment and development of start-ups, scaleups, and research and innovation clusters. Munkeby is educated in engineering and economics, with a master's degree from the Norwegian University of Science and Technology (NTNU) in addition to management education from INSEAD.

Tore Olaf Rimmereid is currently a Project Director at Hafslund. His previous positions include CEO of E-CO Energi, Deputy CEO of Hafslund E-CO and CFO of the Norwegian Broadcasting Corporation (NRK). He has also held senior positions in banking and finance, including CFO of the SpareBank1 Group and Bank Manager at Kreditkassen (now part of Nordea). Rimmereid has extensive experience with board work and sits on the boards of Bane NOR, Eksportfinans ASA, Veas, Industrifinans Direkteinvesteringer and Stiftelsen Asplan.

Ann-Kari Heier is the Executive Vice President of Arendals Fossekompani ASA. She has more than 30 years of experience from the industry and from international research institutions such as CERN and ESA. She has practical experience with development work and management of technically and commercially demanding projects. Over the past 15 years, Heier has held various senior executive roles in the supplier industry for the maritime and offshore industry, and has held several board positions. Heier is Deputy Chair of the Board of the Confederation of Norwegian Enterprise (NHO) in Agder County.

Siri Løvlund is the CEO of Polarfiber AS, formerly Nordix Data AS. She has more than 20 years of experience in the satellite and telecoms industry. Løvlund has an extensive track record in Telenor and has worked on major international projects across the Telenor Group, both in technology and innovation. She also served as COO of Norsk Helsenett before returning to the Telenor system as CEO of Nordix Data AS. Løvlund has previously been a board member of Telenor Svalbard AS.



Management cont.

Morten Haga Lunde,  
Board Member, born 1960

Lieutenant General (R)

Morten Haga Lunde was head of the Norwegian Intelligence Service from January 2016 to November 2020. He was also Head of the Norwegian Joint Headquarters in Bodø from 2013 to 2016. Lunde has 41 years of service in the Royal Norwegian Air Force and various joint staffs in the Armed Forces. This includes serving as the Head of Department of Operations and Emergency Preparedness in the Ministry of Defence / Defence Staff.

Ingelin Drøpping,  
Board Member, born 1967

Chartered engineer  
(NTNU, Information Technology)  
and Executive MBA (Stockholm  
School of Economics)

Ingelin Drøpping has extensive experience as a manager and adviser. She has more than 30 years of experience from technology-intensive businesses and has, among other things, served as Division Director for Society and Business at Innovation Norway, and EVP Space and Surveillance at Kongsberg Defence and Aerospace. In addition, she has held various VP roles at Panasonic and Telenor. Drøpping has extensive experience with board work. She serves as Chair of the Board of Zaptec, and is a member of the boards of Construction Equipment Group, Vixel and Interwell, respectively.

Per Atle Våland,  
Board Member and Employee  
Representative, born 1964

Chartered engineer (NTNU)

Per Atle Våland specialises in radar and electronic warfare and has contributed to the development of a number of radar systems. He has extensive experience with complex projects both nationally and internationally. For more than 30 years, he has held executive roles in technical and business development. He has also held the role of general manager. Våland is currently Technical Manager of the MicroSAR programme.

Tom Westby,  
Board Member and Employee  
Representative, born 1967

Chartered engineer  
(Horten College of Engineering/  
University of Wyoming) and MBA  
(University of New Orleans)

Tom Westby is part of the Contracts and Legal team at Space Norway Satcom. He has almost 30 years of experience with contract work and negotiations related to sales, business development and procurement.





# Executive Management Team of Space Norway AS



**Morten Tengs, CEO**  
*Master of Science in economics and business administration (BI Norwegian Business School) and chartered engineer (Agder College of Engineering)*

Morten Tengs assumed the role of CEO of Space Norway in June 2024. He has an extensive background in the satellite industry, having previously served as CEO of Telenor Satellite and Telenor Satellite Services. At Telenor, Tengs served as Senior Vice President of Telenor Asia, CEO of Telenor Global Services, CEO of Cinclus Technology, and Senior Vice President of Telenor Corporate Development.



**Martin Foss, CFO**  
*Master of Science in economics and business administration (Norwegian School of Economics)*

Martin Foss assumed the role of CFO at Space Norway shortly after the acquisition of Telenor Satellite, where he held a similar position. He has a long track record with the Telenor Group, and has served in various roles in analysis, strategy, business development, and finance. Prior to joining Telenor, Foss worked as a financial journalist for Finansavisen.



**Dag Hugo Stølan, Director, Business Development, External Relations and Security**  
*Major General (R) (various military leadership qualifications from Norway and abroad)*

Following a lifelong career in the Norwegian Armed Forces, Dag H. Stølan has held several executive positions in Space Norway since 2017. He has been in his current role since June 2024.



**Gro Undrum, Director, Administration**  
*Master of Science in economics and business administration (BI Norwegian Business School)*

Gro Undrum has been responsible for HR and administration at Space Norway for over a decade. She has many years of experience in economics/finance, HR and administration in Norwegian industry, the energy industry, banking and finance.



**Rune Jensen, Director, Subsea Cable Systems**  
*Master's degree in Military Studies (USMC University, USA)*

Rune Jensen assumed the role as Director, Subsea Cable Systems in August 2023. He previously served as the Norwegian Polar Institute's local manager in Ny-Ålesund, Svalbard, and spent more than 35 years as an officer in the Norwegian Armed Forces. Jensen has also held positions in the Ministry of Defence and related to ICT procurement.



**Peter Olsen, Director, Satcom**  
*Chartered engineer (NTNU)*

Peter Olsen has held the role as Director of the Satcom business area, including the role as CEO of Space Norway Satcom AS, since June 2024. He has experience from ESA and EUMETSAT, but mostly from various roles in Satcom. Olsen played a key role in the procurement of THOR 5, 6, 7, and 8, and he has extensive technical and commercial knowledge of the satcom industry in GEO, HEO and LEO.<sup>17</sup>



**Marte Skogvoll Kalveland, Director, Earth Observation**  
*Master's degree in Astrophysics (University of Oslo)*

Marte Skogvoll Kalveland joined Space Norway Executive Management Team in 2023 as the Director of Earth Observation, and she manages this business area. She previously worked as a research scientist and Research Manager at the Norwegian Defence Research Establishment. Kalveland specialises in radar and passive RF systems.



**Hans Christian Guren, Director, Innovation and Development**  
*Ph.D. physics/computer science (University of Oslo)*

Hans Christian Guren joined Space Norway as Director of Innovation and Development in 2023. He has a broad industrial background from satcom (Nera) and aerospace (Indra), as well as experience from venture capital investments (START fund).



**Torstein Losnedahl, Director, Legal Counsel**  
*Cand.jur. (University of Bergen)*

Torstein Losnedahl joined Space Norway in 2020 and is the company's Legal Counsel. He is also responsible for regulatory matters. Losnedahl has many years of experience as a lawyer. He has also served as Assistant Director General at the Ministry of Transport and specialises in the regulation of electronic communications.

<sup>17</sup>GEO: Geostationary Orbit, HEO: High Earth Orbit, LEO: Low Earth Orbit

Portraits by Kilian Munch



# 04

## Sustainability report

Status and ambitions for our sustainability efforts





General information

Space Norway’s sustainability reporting is an integral part of the Group’s Annual Report and is based on the consolidated financial statements for the period 1 January 2024 to 31 December 2024. The reporting covers Space Norway AS and wholly owned subsidiaries. The report has been reviewed and approved by the Board.

On 11 June 2024, the Storting adopted legislative amendments to incorporate the EU Corporate Sustainability Reporting Directive (CSRD) into Norwegian law. As a large company, Space Norway is subject to these rules from the 2025 financial year. In February 2025, the EU signalled a narrowing of the scope of the CSRD, indicating that a company like Space Norway would no longer fall within its reporting requirements. This could impact reporting next year depending on any amendments in Norwegian legislation. This year’s Sustainability Report is structured in accordance with the requirements of the European Sustainability Reporting Standards (ESRS), but the content reflects the fact that there is still some work to be done before our reporting meets the standard we aspire to.

A key component of the new legislation is the requirement for a double materiality analysis (DMA). Space Norway conducted such an analysis in spring 2024. In the autumn of 2024, we carried out a gap analysis and established a requirements specification for the reporting for 2025. We are currently working intensively to conduct analyses, develop policies, and lay the groundwork for setting sound goals and action plans for our priority areas.

Management of sustainability efforts

Sustainability is integrated in all parts of the business. Our most important strategic ambitions involve managing and further developing security-critical space-related infrastructure that meets important Norwegian societal needs. We emphasise due care and consideration in our interactions with society, people, nature and the environment. As part of our sustainability efforts, we strive to develop resilient solutions that ensure critical societal functions continue to operate even in challenging times.

The CEO is responsible for the day-to-day management of the company. The Board has the overall responsibility for the management of the company, including the CEO’s mandate and the establishment of a sustainable strategy and ethical guidelines. The Board monitors the implementation of the company’s

strategy, which emphasises that sustainability shall be a key consideration in decision-making. Our sustainability efforts are presented to the Board and Executive Management on several occasions throughout the year.

Sustainability efforts shall be guided by an overarching policy, supported by specific guidelines for each material sustainability topic. Goals and action plans shall also be established for each topic. We are well underway in establishing this framework and aim to have it finalised and adopted by the Board by the end of 2025.

The basic foundation for how we work in Space Norway is described in our Code of Conduct. Work is underway to harmonise a new Code of Conduct for the Group, which will be presented to the Board. The Code of Conduct covers our most important activities and applies to all our employees.

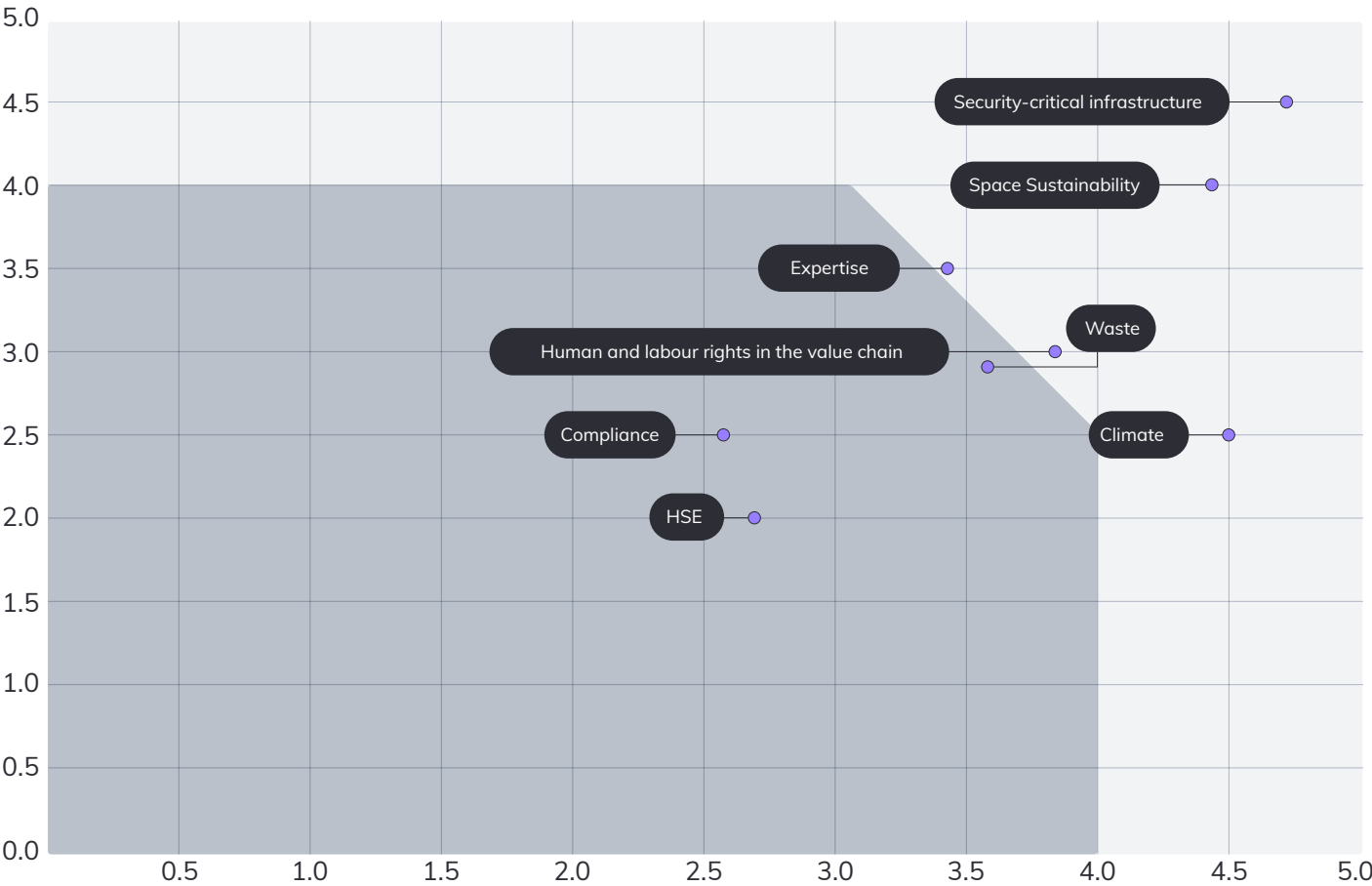
Double materiality analysis

Space Norway conducted a double materiality analysis in 2024. The analysis is based on the CSRD’s methodology and covers Space Norway and its wholly owned subsidiaries. The analysis consists of an impact materiality analysis that identifies the positive or negative impacts the company has on the climate, environment and people, and a financial materiality analysis that identifies external risks and opportunities that may affect future value creation in the company. In the analysis, our value chains and stakeholders are mapped. Through 15 stakeholder interviews conducted in the first half of 2024, a total of 183 impacts were identified and consolidated into a net list of 154 impacts. These are also assessed in a financial context. In addition, four financial external impacts have been identified. Impact materiality is assessed in relation to four parameters:

- 1. probability (50 per cent)
- 2. significance
- 3. scope
- 4. possibility of recovery

Financial materiality is assessed based on two parameters, each accounting for 50 per cent:

- 1. probability
- 2. significance (applying the Group’s risk matrix to assess weight.)



X: Impact materiality Y: Financial materiality

+ Simplified representation of Space Norway's double materiality analysis. The impacts are grouped, and the most important groups are displayed in the diagram. A group is positioned according to the most significant impact in the group's score across both dimensions on a scale from 1 to 5.

In general, the impacts are categorised under the main ESG themes: Environmental (E), Social (S) and Governance (G): E1-E5, S1-S4, and G1. Some of our impacts are not easily categorised within the framework. This is because:

- 1. we have emissions/pollution to space (does not fall under either soil, air or water)
- 2. Space Norway manages and further develops security-critical space-related infrastructure that meets important Norwegian societal needs and supports national security (this is not a local community perspective or purley a customer perspective).

Separate themes have therefore been created to cover these issues: X1 - Space sustainability and X2 - National security.



We have defined all topics scoring four or higher in any one dimension as material. In addition, we have defined several topics with scores just below four in both dimensions as material. We have consolidated these topics into five material topic groups:

- 1. Security-critical Infrastructure
- 2. Space Sustainability
- 3. Climate Change
- 4. Human and Labour Rights
- 5. Competence development









The Nittedal Teleport outside Oslo. Photo: Kilian Munch

**Out of scope:**  
A number of topics have emerged as moderately important for Space Norway. What these topics typically have in common is that they either score very high on probability and irreversibility but are very limited in scope (this includes, for example, “pollution from our operations” and “waste”), or they score low on probability – partly because the topic is being addressed systematically and effectively (this includes, e.g., HSE topics, “compliance” and “data security”) – yet would have high significance should they occur. We consider this last group of topics to represent our “licence to

operate” – issues that, while not designated as priority areas in the double materiality assessment, will be addressed systematically and reported on.

**About reporting on the Corporate Sustainability Reporting Directive (CSRD) and our priority areas:**  
In the following, we report on topics in the order required by the European Sustainability Reporting Standards (ESRS). Our priority areas are highlighted and introduce the chapters on the topics they fall under. The two self-defined topics follow as separate chapters after the chapters defined by ESRS.

Impact on which of the UN Sustainable Development Goals (SDGs) we prioritise

Priority area	Relevant UN SDGs	Explanation
Security-critical Infrastructure		Our infrastructure is of considerable importance to society, and we are working to make it as robust as possible. In addition, we invest in development and innovation to create tomorrow’s solutions. This particularly supports targets 9.1 and 9.5.
Space Sustainability		We will work on regulatory issues to promote security and sustainable use of space. This particularly supports targets 17.13, 17.14, and 17.15.
Climate Change		Climate is an important topic for us, and we will work to limit our emissions. This particularly supports target 13.2.
Human and Labour Rights		We will work actively with our value chain to mitigate the the risk of violations of labour and human rights  This particularly supports targets 8.7 and 8.8.
Competence development	 	Expertise is crucial if we are to succeed in our efforts to develop robust infrastructure that is critical to society. This is also important if we are to succeed in promoting cooperation for a more sustainable use of space, cf. the priority areas above.

Link to the UN SDGs: <https://fn.no/om-fn/fns-baerekraftsmaal?lang=nno-NO>





Environmental information (E)

**Climate change (E1)**

Climate change is also an important topic for Space Norway. The first priority is to gain an overview of our emissions. Until now, we have largely lacked such an overview for Scope 3. We have purchased licences for a procurement tool, Ignite, which has functionality for estimating greenhouse gas emissions in Scope 3.

For 2024, we have used our purchasing transactions to calculate emissions – known as a spend based calculation. Going forward, we will be reviewing our most significant Scope 3 emissions to obtain more precise activity-based calculations. Our aim is to increase the proportion of activity-based calculations over time and to group emissions in a suitable manner to provide a more granular overview of our emissions.

Greenhouse gas emissions*	2024	2023	2022	What is included in the scope?
Scope 1	185		–	Direct emissions from own operations
Scope 2	128	49	16	Emissions from the purchase of energy for own use
Scope 3	14 382	6 846	6 748	Indirect emissions from purchased goods and services
TOTAL	14 382	6 895	6 764	

\*tonnes of CO<sub>2</sub> equivalents

The main reason for the increase in emissions from 2023 to 2024 is that the figures for 2024 include Space Norway Satcom AS. In addition, there are major Scope 3 emissions associated with the construction and launch of the ASBM satellites. In 2023, there was a large emission of 936 tonnes of CO<sub>2</sub> related to the hiring of a cable-laying vessel to repair the Svalbard fibre-optic cable. These are emissions that do not occur annually. The nature of our business, involving large infrastructure projects that have significant emissions in parts of their establishment, entail that our emissions will be highly volatile from year to year.

In order to set realistic and sufficiently ambitious targets, we need to assess what drives our largest emissions and what efforts and costs are required to reduce them. We will obtain this data in 2025.

**Other potential environmental impacts (E2, E3 og E4)**

Through pollution, Space Norway has a relatively modest impact (E2) on water and marine resources (E3) and biodiversity and ecosystems (E3). From time to time, we build new infrastructure that meets these

dimensions, and we will establish guidelines to ensure adequate due diligence for this. For fixed activities, it is a matter of normal operations monitoring, upgrades, maintenance and security measures. New guidelines will be established during 2025.

In terms of establishing new subsea fibre-optic cable systems, we already have some frameworks in place. We will further develop and adapt these frameworks to take into account the division of responsibilities that follows from our development on behalf of the Ministry of Trade, Industry and Fisheries, as is the case for Arctic Way:

- We shall conduct necessary analyses before projects are implemented:
  - identifying sensitive terrestrial and marine habitats
- We shall plan routes and landings with the aim of:
  - avoiding areas with high levels of biodiversity
  - avoiding areas with particularly sensitive ecosystems
  - selecting a route that minimises risk of damage (and thereby impact)
- We shall plan for project execution that takes into account people, nature and the environment:



- plan to implement as gently as possible
- requirements pertaining to suppliers
- We shall cooperate with authorities and stakeholders:
  - complying with regulatory requirements
  - cooperating with research institutions to strengthen the information base
- We shall plan for a comprehensive life cycle for the components of the intervention, including assessing the need for and accommodating:
  - restoring any encroachment on nature to the way it was before the intervention was made
  - end-of-life cleanup
  - recycling of materials, whenever possible

**Circular economy (E5)**

Space Norway is committed to sustainable resource use and a circular economy in our own operations and value chain to the extent possible. We comply with the Eco-Lighthouse requirements for waste management at Nittedal Teleport (cf. the separate box on Eco-Lighthouse certification).

**Space Norway's Nittedal Teleport is Eco-Lighthouse certified**

Nittedal Teleport has been Eco-Lighthouse certified since 2010. Eco-Lighthouse is a Norwegian certification scheme for businesses seeking to document their efforts to operate in an environmentally friendly and sustainable manner. The certification is recognised by Norwegian and EU authorities and provides companies with concrete tools to improve their environmental performance and reduce their environmental impact. Businesses that achieve Eco-Lighthouse certification must meet specific criteria in areas such as working environment, waste management, energy consumption, purchasing and transport.

The Eco-Lighthouse certification is approved as documentation of environmental management in accordance with the EU's Eco-Management and Audit Scheme (EMAS) and the ISO 14001 standards.



Egil Maurtvedt in the server room at Nittedal Teleport outside Oslo. Photo: Kilian Munch

- Priorities in 2025**
- Establish a data set that makes it possible to set realistic, but sufficiently ambitious, climate targets.
  - Work to increase the proportion of activity-based calculations of Scope 3 emissions.
  - Establish policy, goals and action plan for E1 – Climate, which is a priority area.
  - Establish policies for E2, E3, E4 and E5.
  - Conduct due diligence assessments on all existing and new projects and take such assessments into account.

**Social conditions (S)**

We have a responsibility for how we impact the people around us, whether it is our own workforce (S1), workers in the value chain (S2), people living in affected communities (S3), or customers who depend on what we deliver (S4). Some of the topics that fall under S3 and S4, together with all of the topics under X2 (National Security), involve developing and managing security-critical infrastructure. Most of our work in these areas are described in the chapter National Security (X2) on page 59.

**Own workforce (S1)**

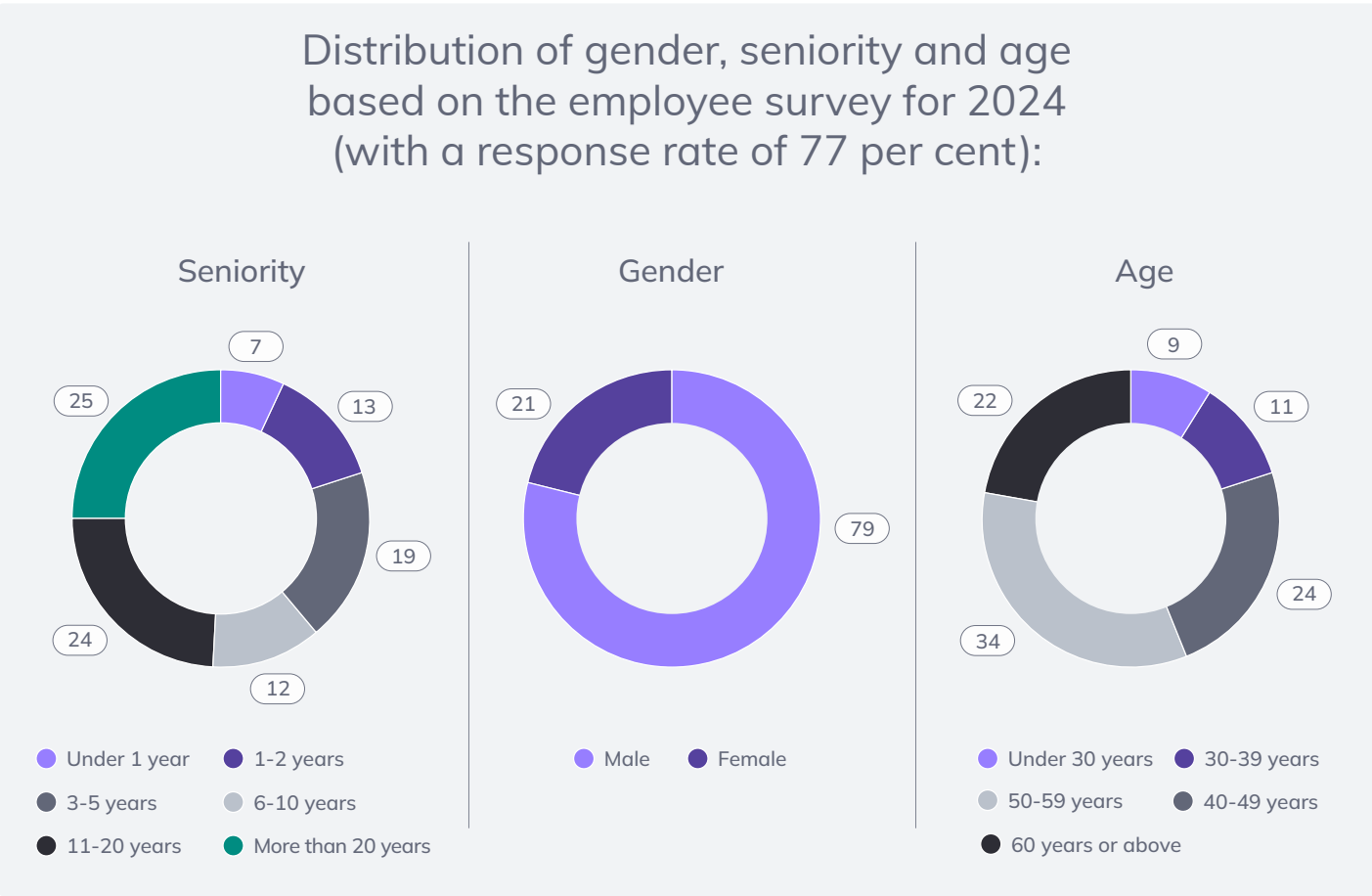
We rely on competent employees to succeed in our goals and strategies. We prioritise ensuring well-being, safety and development at work.

At year-end, Space Norway had 172 employees. During 2024, we recruited 17 new employees. As the figure below shows, we have many employees with long seniority, many mature employees and a clear predominance of men. These are parameters that affect how we work to maintain and develop our workforce, as discussed below:

The Group's double materiality analysis emphasises that expertise is a key topic for the Group. Other topics in the S1 dimension are also significant. These are defined as "licence to operate" topics that we will work on systematically and which will form part of our reporting.

We are now in a phase where we are establishing common procedures and conditions in the Group. Efforts are underway to work on a common culture and understanding across the organisation. All managers participate in the work of developing a common vision and values for the new Group. In turn, all employees will be involved in this undertaking. The work will continue through 2025.

A process is underway to establish new shared office premises for the head office. This will bring together employees who are currently based at Fornebu and Skøyen. Because of strict security requirements, this work takes considerable time. In the interim, we have implemented solutions that promote cooperation in work processes.



Expertise

Space Norway’s solutions are complex and highly knowledge-intensive. A leading centre of expertise in Norway in the development and operation of satellite systems represents a significant opportunity for the Group. It also represents a dependency and a potential risk if we fail to retain and further develop our expertise. We have a challenging age distribution that must be managed appropriately. This topic is high on the agenda, and throughout 2025, we will establish a good policy, set ambitious yet realistic goals, and chart a course with the actions needed to achieve them.

We work to ensure that our employees have good development opportunities, which includes the following measures:

- As a general rule, all vacancies shall be advertised internally concurrently with external announcements. We actively encourage those who have expressed a desire for continued development to apply. Job rotation is generally welcomed. In our experience, this increases the opportunity for cooperation and understanding across the organisation.
- We prioritise internal development and have succeeded in challenging talented employees to grow more into challenging roles. This has produced good results and satisfied employees and managers.
- The management teams are required to carry out an annual People Review, where career development for employees is one of the topics. Under the new HR system, individual development plans will be drawn up in consultation with the manager. As a company, we are supportive of, and dependent on our employees seeking to enhance their competence and professional development

Working conditions

We aim to ensure that no employee falls ill or sustains injuries as a result of working at Space Norway. This means that we work systematically on health promotion and preventive measures.

Sickness absence

The rate of sickness absence in the Group was 3.11 per cent in 2024. This represents an increase from 2023, when the rate of sickness absence was 2.14 per cent. The increase is primarily attributable to a somewhat higher rate of sickness absence in Space Norway Satcom (3.75 per cent) compared to Space Norway prior to the merger (2.16 per cent). The fact that Satcom’s sickness absence is somewhat higher is due to a few cases of long-term absence that have

a noticeable impact on overall absence in a relatively small company. This is a matter we are monitoring closely; however, there is currently no cause for concern.

HSE

All employees at Space Norway are covered by general HSE measures to promote a healthy working environment. This includes a Working Environment Committee, an annual employee survey and employee appraisal interviews. Flu vaccinations are offered to all employees, and we offer ergonomic adaptation of office workplaces.

At the Nittedal Teleport for instance, we have certain work tasks with an inherent risk of personal injury. The company works systematically to identify risks through Job Safety Analyses (JSAs). Risk is mitigated through detailed procedures for how hazardous work shall be carried out. Annual risk assessments are carried out in relation to working conditions in a broad sense. All suppliers working at the Teleport are required to sign and comply with our Safety and Security Manual.

Space Norway organises regular HSE courses for managers, and in 2024 four managers completed such courses. In addition, two safety representatives completed HSE/OHS courses for safety representatives.

No HSE incidents were reported in 2024.

Parental leave

A total of 58 weeks of parental leave were taken by three individuals in the Group in 2024. Only men have taken parental leave this year.

Cooperation and involvement of trade unions and employee groups

Space Norway is subject to collective bargaining agreements and is bound by main agreements, collective agreements and special agreements. The Norwegian Society of Engineers and Technologists (NITO) and the Norwegian Union for Graduate Technical and Scientific Professionals (Tekna) are represented by local chapters.

Space Norway actively engages with the trade unions and follows up its collective bargaining obligations in close cooperation with them in both formal and more informal meetings. The Group has a high level of union membership. In total, there are 38 members of NITO and 52 members of Tekna, all organised through local chapters. This accounts for around half of our employees.

Temporary employees, actual and involuntary part-time

At the start of 2024, we had one temporary employee and one student working in a 20 per cent full-time equivalent contract in the Group. We are pleased to announce that both have been given permanent employment.

A thriving workplace

Space Norway is dependent on being a good employer that is able to attract and retain competent employees. Creating a favourable and inclusive environment is a key success factor in achieving this goal. The statistics in our gender equality report primarily focus on gender, and the scope of our work is broad.

The Group has a strong predominance of men at all levels. This imbalance is particularly pronounced in technology-intensive roles, which account for the majority of positions in the company. We are committed to promoting equality and preventing discrimination in line with the Equality Act.

Methodology

We have categorised job levels across the Group into groups of equal work or work of equal value, as follows:

- CXO level (Executive Management Team, Satcom Management Team)
- Middle managers, as well as high-level experts
- Engineers, experts
- Operators, professionals

This categorisation is anchored with the trade unions.

Female employees are represented at all levels; however, due to the overall low proportion of women, the number of women in each job group is too small to publish any pay differences between men and women at the category level.

The categories applied are based on the Satcom framework. A review will be carried out to ensure and, if necessary, adjust the categories so that they are relevant to the entire Group and that we group equal work and work of equal value. In the composition of the job categories, we will examine requirements for expertise, responsibility, complexity and working conditions

Salary differences

At the company level, women’s average base salary is 83 per cent of men’s average base salary across the entire Space Norway Group. In terms of total compensation, we have too few women in comparable roles to provide a statistically meaningful analysis; however, a review of individual agreements indicates that total compensation is relatively evenly distributed across comparable roles. When adjusting for age and seniority, the pay gap narrows drastically. Equal positions appear to have almost the same pay.

The median salary in the company is lower than the average salary for women. Across the company, 19 per cent of employees are managers, 22 per cent of whom are women. Overall, women make up 20 per cent of the company’s 172 employees.

Space Norway recruits to a large extent from study programmes in computer science, data science, automation, electrical engineering, aerospace, and related fields. Historically, these study programmes have a clear predominance of men. As a result, we have a clear predominance of men, particularly in the highest job categories and among employees with the longest seniority. This largely explains the salary differences between men and women in the Group. A more even gender balance in recent years’ recruitments, which are often at the junior level, is expected to increase the salary differences for a while.





Valued employees

Space Norway aims to increase the proportion of women in the company. We enjoy a good dialogue with employee representatives on this topic in general, and it is addressed specifically in connection with the wage settlement.

Over the past three years, we have focused on increasing the proportion of women in the company wherever possible. We have achieved a good balance in new hires in recent years. In our recruitment processes, there should, to the extent possible, be male and female candidates in the final rounds.

It is important to us that we make our premises accessible to all. This will be taken into account in the design of our new premises at Skøyen. Our flexible work model, which allows employees to choose their work location, contributes to improving the everyday lives of those with certain disabilities by reducing their daily commute.

We are a company in which several cultures and nationalities are represented, and we have many international customers. This means that we are accustomed to differences and consider a high degree of internal mix to be natural. The satellite industry is relatively small, and we attract candidates from a range of countries. Space Norway is subject to the Norwegian Security Act. This may present some challenges with regard to authorisation and clearance from certain countries. We also have customers with strict security requirements.

Space Norway has a relatively high average age, but we are actively working to reduce it by recruiting younger candidates. We are working to develop a

mentoring programme as a measure to ensure that younger employees enjoy a good start in their roles. It is important that everyone feels they have good development opportunities regardless of age. We are actively engaged in competence enhancement to ensure that everyone remains relevant and motivated.

Space Norway is collaborating with the Norwegian University of Science and Technology (NTNU) on an initiative aimed at recruiting both male and female students to technology disciplines in general, and to Space Norway in particular. Orbit NTNU is the first Norwegian student-based organisation that offers its members the opportunity to build and operate an operational satellite. This collaboration is considered successful and will be continued.

Space Norway has human resources and wage policies that support the equal treatment of all employees. Space Norway pays full salary in excess of six times the National Insurance basic amount (G) during illness and when taking parental leave. We also cover full salary for fathers during their two-week leave in connection with childbirth. Full pay during leave can be a measure that encourages men to take more leave than they otherwise would.



+ As of today, there is a large majority of men in Space Norway. The company is working on evening out the proportion between men and women within the organisation. Photo: Kilian Munch

+ Priorities in 2025

- Establish policy, goals and guidelines for the priority area 'expertise' and all 'licence to operate' topics.
- Establish a common HR system for the Group.
- Coordinate policies and conditions for our employees.
- Establish frameworks for our culture.
- Involve managers and employees in shaping the company's vision and values.



Female

21

Distribution

75

Job satisfaction

87

Loyalty

90

Reputation

71

Senior management

77

Line manager

87

Cooperation

77

Working conditionsJob content



Male

79

Distribution

77

Job satisfaction

85

Loyalty

84

Reputation

73

Senior management

83

Line manager

85

Cooperation

73

Working conditionsJob content

The results from our annual employee survey 2024 show that women have somewhat different outcomes than men. It is difficult to draw clear conclusions due to the gender imbalance within the organisation, and we will consider these differences in the ongoing work with the survey. The figures show the percentage of questions answered.

Workers in the value chain (S2)

Human rights, including labour rights, for workers in the value chain

Our most significant impact on human rights, including labour rights, in the value chain is considered to be in our upstream value chain, related to the fixed assets required to deliver the services produced by our core business. Satellites, antennas, subsea fibre-optic cables, and their supporting infrastructure contain large quantities of electronic and ICT products. Electronic and ICT products generally involve a challenging value chain. ICT products are included in the Norwegian Agency for Public and Financial Management's (DFØ) High Risk list of product categories involving a high risk of violating fundamental human rights. We acknowledge this challenge and aim to mitigate the associated risks.

The first step is to understand our own value chain and identify our largest and most strategically important suppliers. We have laid the groundwork for these efforts and will continue to build on them. In preparation for the strategy process in 2025, we will delve into different aspects of resilience. This includes how supply chain risks can be identified and mitigated in the short and long term. The Ignite procurement system also includes functionality that assesses social risk. We will thoroughly familiarise ourselves with this functionality and begin using it in 2025.

We are working on defining how to strengthen the analysis of new and existing suppliers, how to conduct continuous follow-up, and how to assess the risk mitigation measures available to us. These will be important components in the procedures we are currently drafting. In 2025, we will set clear goals and develop an action plan for this area as well.

Status 2024 – Report on compliance with the Norwegian Transparency Act

Space Norway carries out due diligence in accordance with the OECD Guidelines for Multinational Enterprises.<sup>17</sup> Due diligence assessments are carried out in connection with direct and indirect purchases. Suppliers are classified based on risk indicators such as geographical affiliation, industry and contract size. The assessments follow established procedures from the former configurations of Space Norway and Telenor Satellite, respectively, where the classification criteria are based on the same guidelines but are not identical. A process is now underway to transition to a common procedure and establish system support. The procedure is intended to ensure that the company meets the requirements for conducting and accounting for due diligence, and it ensures that we fulfil our duty of disclosure pursuant to the Norwegian Transparency

Act. It will also address other types of risk in the supply chain. Once the new procedure has been introduced, we will carry out an audit of our existing suppliers to ensure that all are classified in accordance with the new procedure. Going forward, we will review risk classifications once a year, and continuously assess and classify new suppliers before entering into contractual relationships. For all high-risk supplier relationships, mitigation measures shall be assessed to limit or avoid adverse impact or damage. Practices and measures are brought before the CEO and the Board of Directors of the company at least once a year.

Throughout 2024, we have mapped value chains and gained a better understanding of risks and potential mitigation measures. We will apply this insight in the design of the new procedure for the Group.

In addition to Space Norway's own operations, due diligence assessments also include the activities of our subsidiaries. The exception to this is Kongsberg Satellite Services (KSAT), which is a jointly controlled company (50 per cent owned by Space Norway).

Affected communities (S3)

Space Norway's infrastructure is of considerable importance to some affected communities. This applies in particular to the fibre-optic connection to Svalbard. In addition, we have the only satellite connection to the Troll Research Station in Antarctica, and we are a relatively large employer in Nittedal Municipality.



Priorities in 2025

- Establish policy, goals and action plan in line with the CSRD<sup>18</sup>.
- Implement common procedures and system support in the Group.
- Audit of existing suppliers in accordance with the new procedure.
- Skills development for key employees.
- Training and awareness-raising for all employees who interact with suppliers.
- Expand the value chain assessment to encompasses additional links. Value chains identified as having the highest risk are given priority.

<sup>17</sup>Organisation for Economic Cooperation and Development (see also OECD – Store norske leksikon (snl.no)).

<sup>18</sup>The EU Corporate Sustainability Reporting Directive

Svalbard

The current fibre-optic connection between the mainland and Svalbard consists of two geographically separate cables that connect Longyearbyen with the mainland. The distance of approximately 1,400 km roughly corresponds to the distance between Oslo and Paris. The cables are buried as deep as two metres into the seabed in selected areas. This protects the cables against fish trawling or the anchoring of ships. The expected technical lifetime of the cables is 25 years, i.e., at the end of year 2028. The planned renewal of the Arctic Way subsea fibre-optic system will ensure that the connection to Svalbard is maintained.

The operating history of the Svalbard connection has been very good, with few serious incidents that have led to interruptions in the connection. In the period 2018–2024, Space Norway carried out a significant security upgrade of the connection.

Today, the fibre-optic connection constitutes critical societal infrastructure and provides the Svalbard community with modern electronic communication services. These services are necessary to maintain and develop civil society and the business sector.

Major national and international values and important societal functions depend on the functioning of the Svalbard connection. Information that is downloaded to Platåberget outside Longyearbyen and distributed via the fibre-optic connection is important for a number of societal functions such as weather forecasting services, monitoring of maritime traffic, environmental monitoring, preparation of ice maps for the Arctic and communication services in the critical phase of rocket launches.

The connection is also an important input factor in Kongsberg Satellite Services' (KSAT) contribution to Europe's navigation satellite system, Galileo<sup>19</sup>.

Space Norway is acutely aware of the value of the fibre-optic cable for the Svalbard community. How we work with security and resilience is described in greater detail in the chapter on National Security (X2) on page 59.

The Troll Research Station

Space Norway contributes communication solutions for KSAT to the Troll Research Station in Antarctica through a dedicated capacity on THOR 7. The capacity is leased to KSAT, which is the only company that can offer satellite data downloads near both the south and north poles.

Nittedal

Our earth station is a relatively large employer in Nittedal Municipality. We are committed to supporting the local business sector by selecting local subcontractors.

End users (S4)

Space Norway only has corporate and government customers. Our services are critical for our customers to maintain their operations and deliver to their end users. Therefore, we prioritise reliability and uptime for our services, and providing good services to our customers.

Uptime

Depending on the nature of the systems and services, uptime requirements are set to meet customer needs.

System	Requirements for uptime	Uptime in 2024
Broadcasting DTH	> 99,95 %	99,977 %
Broadcasting IPTV	> 99,9 %	99,985 %
Broadcasting OTT	> 99,9 %	99,985 %
Data Services	> 99,5 %	99,982 %
Communication to Troll	> 99,85 %	> 99,9 %
Fibre-optic connection to Svalbard	> 99,995 %	100 %
AIS satellite constellation	> 98 %	98 %

<sup>19</sup>Galileo is a system for satellite navigation established by the European Union and the European Space Agency. The system is intended as an alternative to the military and U.S. controlled Global Positioning System (GPS) and the Russian GLONASS



Customer Satisfaction

We maintain close relationships with our customers and strive to understand their value drivers. We are continuously working to engage with our customers in a positive way.

Where necessary, we monitor customer satisfaction through customer satisfaction surveys for individual business areas. The most recent customer satisfaction survey was conducted in 2023 for the Data Services and Occasional Use areas. The survey shows that 95 per cent of customers are satisfied with our products and services. The opportunity to answer open-ended questions revealed that many of our customers desire a supplement of integrated LEO<sup>20</sup> services. We are working to accommodate this feedback. In March 2025, Space Norway signed a letter of intent with Telesat to offer LEO capacity through their Lightspeed constellation.

Some end-user and local community perspectives, where the most significant impact is on national security, are also addressed within the national security dimension – cf. the section on national security (X2) on page 59.

Governance (G)

Good business conduct and corporate governance are essential to ensure that the Group operates responsibly, legally, ethically, and within sustainable frameworks. As a result of the merger, the Group is now in the process of establishing a common framework for guidelines. This is essential for efficient operations and the realisation of synergies. Well-coordinated processes reduce duplication of effort, operational risk and frustration in the organisation. Risk management and internal control are to be integrated into the Group's processes. This work is scheduled to be finalised during 2025.

Overarching governance issues are also discussed in the chapter on Corporate Governance on page 26.

Anti-corruption

Space Norway and its employees shall act in accordance with national and international laws and regulations. Therefore, Space Norway has zero tolerance for corruption. Corruption includes various activities, all aimed at obtaining or providing illegal advantages. Space Norway prohibits any form of bribery, inappropriate payments, gifts or other benefits.

In its Code of Conduct, which all employees must certify that they have familiarised themselves with, Space Norway has stipulated clear expectations for how each individual shall conduct themselves in order to avoid incidents involving corruption.

The Code of Conduct also describes where to turn in case of doubt or need for further guidance. Space Norway has also drawn up anti-corruption requirements that apply to suppliers wishing to enter into an agreement with Space Norway (Supplier Code of Conduct).

Although the starting point is the same, the acquisition of Telenor Satellite has revealed that the company had slightly different approaches to anti-corruption efforts internally. Work has therefore been initiated with the aim of establishing common guidelines, practices and training related to anti-corruption in 2025. No cases of corruption were uncovered in Space Norway in 2024.

Culture

The acquisition of Telenor Satellite AS has created a need to update the companies' Codes of Conduct to ensure common guidelines. Common values, goals and rules of behaviour are necessary for the development of a uniform culture in Space Norway. However, the main principles that describe the core of the company's business operations are fairly similar and will be continued. Space Norway's overall goal is to build a culture where we:

- play by the rules, whether these are laws and regulations or our own guidelines
- take responsibility for our actions
- are transparent and honest
- dare to ask questions and raise concerns when in doubt, and without fear of reprisal

Until a common framework is established, the former Telenor Satellite and Space Norway continue to operate under their respective and differing policy frameworks and internal control procedures, based on their previous organisational structures.

Whistleblowing

Space Norway encourages internal and external stakeholders to notify of any objectionable conduct. In connection with the incorporation of the former Telenor Satellite AS into Space Norway AS, a new joint notification procedure has been drawn up for the companies owned by Space Norway AS. The new procedure will replace previous procedures in Telenor Satellite and Space Norway AS, respectively. The procedure will be published on the company's website once it has been approved by the Board of Space Norway AS. The new procedure allows for anonymous notification. No notifications were received in 2024.

<sup>20</sup>Low Earth Orbit



+ Space Norway's operations room is staffed around the clock to ensure continuous operation of the satellites. Photo: Kilian Munch

+ Priorities in 2025

- Coordinate the Group's policies and procedures.
- Training for all employees in new policies and procedures.
- Ensure that all guidelines and procedures are coherent so that they serve as support rather than a burden to the line organisation.
- Ensure that risk management and internal control are integrated into the Group's processes.



«Space sustainability» (X1)

Our business model depends on space remaining accessible for space-related capabilities in the future. There are aspects of our industry that are not sustainable, which could jeopardise this possibility. As a regional actor, our footprint is part of the problem. However, we also have the opportunity to be part of and push towards sustainable solutions. This is a cross-cutting effort that involves broad engagement across the organisation. Space Norway's work on space sustainability follows two main tracks:

- Regulatory: Space Norway participates in international forums and has extensive international contacts. These are actively used in frequency co-ordination and to respond to events that may affect our satellites and filings. This work is key to ensuring predictability, service development and secure

operations. There are also forums where we have the opportunity to work to influence future regulations.

- Technical: Through technical choices and innovation, Space Norway can ensure that our satellites are as sustainable as possible. Sustainable technical solutions can also be promoted by informing customers about opportunities and by setting requirements for suppliers.

We are currently working to draft an overall policy, set goals and define an action plan as required by the CSRD<sup>21</sup> framework for defined priority areas. Understanding what we can achieve and establishing a realistic time horizon requires further analysis. Our ambition is that by the time we submit our Annual Report for 2025, Space Norway will have well-founded, ambitious and concrete goals for this important area.



+ Priorities in 2025

- Conduct an analysis of the opportunity space within the impact dimension to establish well-defined, sufficiently ambitious goals with a realistic timeline.
- Conduct an analysis of the scope of the technical dimension to set design requirements for our future space capabilities that promote space sustainability while remaining competitive.

National security (X2)

Space Norway's greatest impact on the world around us is society's benefit and dependence on the space-related infrastructure we develop, own and operate. Given the severe societal impact if our solutions were to fail, strict requirements are imposed on accessibility and resilience. The ever-increasing need for space-related infrastructure represents major opportunities for new business and growth for the Group. Building new security-critical infrastructure is a core task for the Space Norway Group. This means that the goals under this priority area will overlap with the Group's strategic initiatives. Key to this priority area are also continuous efforts to strengthen the resilience and accessibility of our critical offerings. Overall, this entails that:

- Security is one of Space Norway's core areas of expertise.
- We shall actively work to identify and understand national needs, threats and risks.
- We shall closely engage with and involve our stakeholders.

We shall work to understand and mitigate risk throughout our value chain. Work on establishing a policy, goals and action plan for the area is well underway and will be finalised in 2025.

Security and emergency preparedness

Space Norway builds, owns and operates critical infrastructure. Security is a high priority, and Space Norway follows national and international best practices for security management. The company is subject to the Norwegian Security Act.

Space Norway's business depends on delivering high-quality infrastructure and services with dependable security, on schedule. Information is an important value for Space Norway. Information security includes measures that help to protect assets, information and the ability to solve prioritised tasks. This shall ensure:

- confidentiality, which means that no one shall have access to information without an operational need
- integrity, which means that information and systems shall be correct and reliable
- accessibility, which means that information and systems shall be accessible to authorised users when needed

<sup>21</sup>The EU Corporate Sustainability Reporting Directive

This work will ensure that Space Norway fulfils statutory requirements and that deliverables are in accordance with signed agreements.

Goals

The goal of security work at Space Norway is to safeguard:

- the assets that the business manages
- our ability to fulfil prioritised tasks and service deliveries
- the accessibility, integrity and confidentiality of Space Norway's information against intentional and unintentional actions

Key principles

Risks shall be identified through risk assessment, and the risk acceptance level shall be set by the CEO in dialogue with the Board. The threat picture shall be assessed on an ongoing basis, and security measures shall always be proportionate to the acceptable risk level. In the event of adverse incidents, emergency preparedness measures shall contribute to limiting damage and facilitating a swift restoration of normal operations. Security work shall be integrated into the work of the line organisation, and employees shall receive the necessary training to fulfil their security responsibilities. All access to information and assets shall be based on an operational need.

Threat picture

Threat assessments are based on national threat reports, openly available information and threat assessments from security providers. Selected topics from the national threat reports that we have identified and are actively working to counter and protect against include the following:

- Intelligence and influence: Use of legal cooperation and covert methods to obtain knowledge of technology with potential military applications. This includes attending conferences and seminars to gather information.
- Economic policy instruments: Investments in and acquisitions of companies and real estate, especially in the vicinity of critical infrastructure and military installations, to gain long-term presence and intelligence capabilities.
- Digital and physical espionage: Breaking into digital systems and physical infiltration to gain access to sensitive information and technology. This may include attempts to recruit employees via digital platforms.



- Strategic investments: Acquisitions of and investments in technology companies to gain access to advanced technology, especially dual-use technology that can be used for both civilian and military purposes.
- Sabotage: Deliberate actions to damage or destroy infrastructure and technology. This can include both cyberattacks such as malware and ransomware, as well as physical attacks on facilities and equipment to disrupt operations and delay development projects.

**Cybersecurity**

Our cybersecurity work is based on international frameworks, using ISO/IEC 27001 for information security management and NIST 800-53 for selected operational deliverables. Recommendations from the authorities, such as the Norwegian National Security Authority (NSM) and the Norwegian Communications Authority (Nkom), are considered for implementation as needed.

Continuous security monitoring is a key measure to ensure a justifiable level of security.

**Personnel security**

Insider threat is a topic that is receiving increasing attention in national threat assessments. Key aspects in managing this topic are background checks and hiring procedures, security clearance and authorisation, training and awareness, access control based on operational need, and physical security.

**Physical security**

The geopolitical situation has demonstrated that the threat of sabotage is substantial, requiring that key physical assets be safeguarded through both physical security measures and redundancy.

**Emergency preparedness and incidents**

Space Norway’s ability to handle serious and adverse incidents is key. The company regularly carries out exercises at various levels, ranging from strategic to tactical exercises. Security-threatening incidents are reported to the authorities when necessary. The threshold for reporting such incidents is low.

**Priority areas 2024**

Throughout 2024, the Group has prioritised security work for the following tasks:

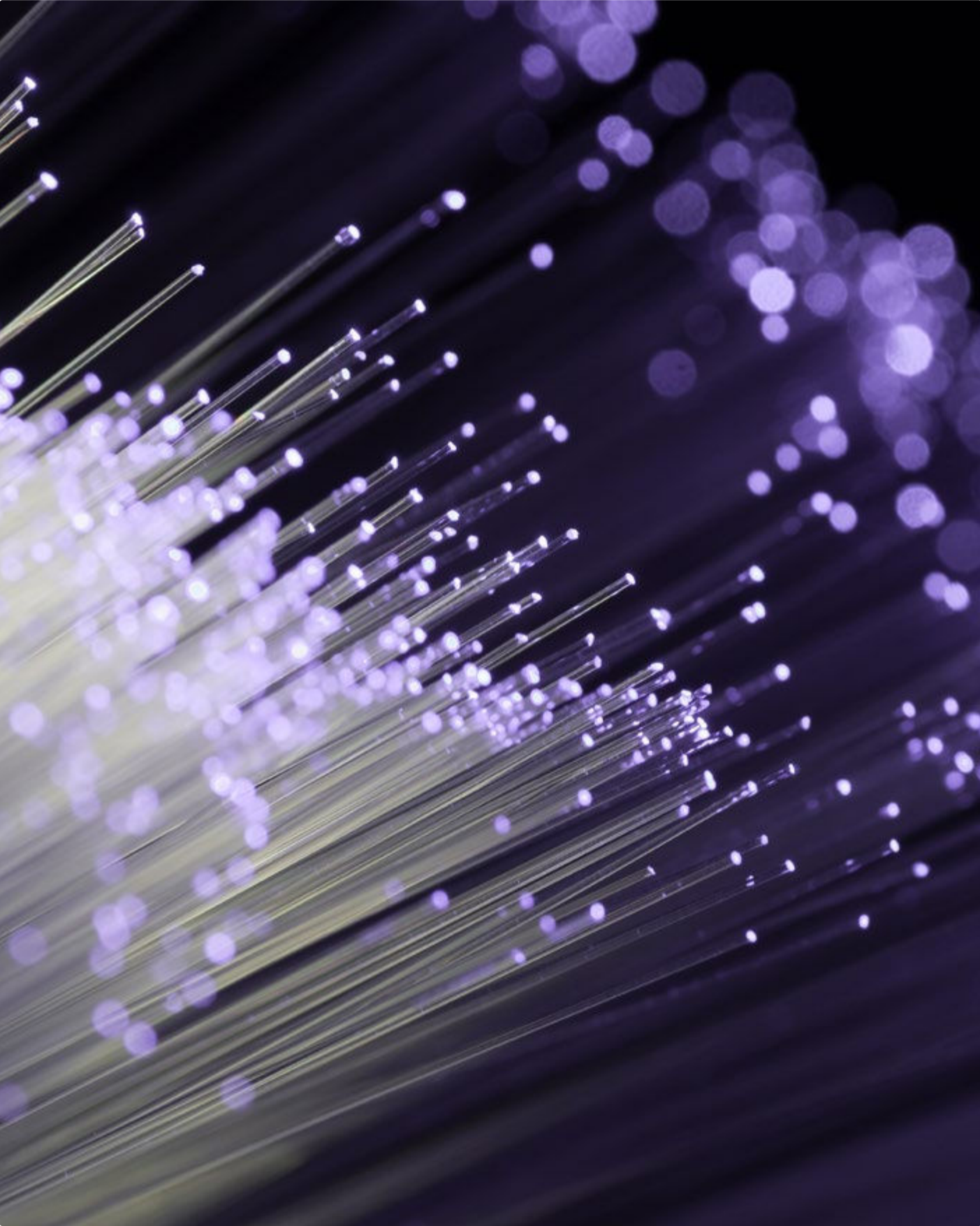
- Develop a common security management system for the entire Group following the acquisition of Telenor Satellite.
- Work on security clearance and authorisation of employees.
- Further develop preventive security in the company.

The Group has established a new common management system for security. Space Norway has made significant progress in the security clearance of relevant personnel. Continuous improvement of security is an ongoing endeavour to keep security up to date with new threats and knowledge of vulnerabilities.

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Priorities in 2025

- Implementation of our strategic initiatives.
- Continue the work on risk assessments in the company.
- Further develop resilience in service delivery.
- Security in the value chain, supplier risk.
- Further develop technology to detect threats and surveillance, including visibility in operational technology.
- Increased focus on personnel security





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# The Board of Directors' Report





Introduction

The Group consists of the parent company Space Norway AS and the wholly owned subsidiaries Space Norway Satcom AS (Satcom), Space Norway HEOSAT AS (HEOSAT), and Statsat AS. In addition, there is a 50 per cent ownership interest in the joint venture Kongsberg Satellite Services AS (KSAT). KSAT is consolidated into the Group based on the equity method, and the figures for 2023 have also been restated according to the same principles.

Space Norway AS, is 100 per cent owned by the Norwegian Ministry of Trade, Industry and Fisheries. In 2024, the business was reclassified as a Category 1 company. The company shall develop and operate security-critical space-related infrastructure.

Space Norway is a project developer with a long term horizon, working in cooperation with other space industry actors.

The company has a focus on the High North, the North Atlantic and the maritime areas of Europe, including the Mediterranean. Priority is also given to the mainland in the Nordic countries and Central Europe (CEE). 2024 is characterised by two major milestones for Space Norway: the acquisition of Telenor Satellite and the launch of the Arctic Satellite Broadband Mission (ASBM).

Business areas

Space Norway delivers services and infrastructure within three business areas: satellite communication, earth observation and subsea fibre-optic cables.

Through its subsidiaries Space Norway Satcom and Space Norway HEOSAT, satellite transmission and related ground-based services for data and broadcasting are offered. The companies own and operate the satellites THOR 5, THOR 6, THOR 7, ASBM 1, and ASBM 2<sup>22</sup>. The company also has an ownership interest in the THOR 10-02 satellite. The THOR satellites are positioned in geostationary orbit above the equator, while ASBM is a system based on two satellites in Highly Elliptical Orbit with special capacity for Arctic regions.

Through the THOR satellites, transmission and related services are provided for, Allente in the Nordic countries and similar television distributors in Central and Eastern Europe. With the THOR satellites, the company also delivers various data services, primarily to the maritime market in Northern Europe and the Mediterranean.

ASBM entered into operationl in November 2024 and delivers capabilities to the Norwegian Armed Forces, the US Space Force, Viasat and the European Commission.

Satellite operations are conducted from several locations, with the operations centre for the THOR fleet at Fornebu serving as the main hub. The main teleport is located in Nittedal outside Oslo

“Space Norway has several development projects within Earth Observation. Through the subsidiary Statsat AS, Space Norway operates small satellites for government use, primarily for coastal administration purposes.”

Space Norway owns and operates the subsea fibre-optic connection between mainland Norway and Svalbard. In addition to transmitting satellite data to customers worldwide, the subsea fibre-optic system is the main connection between Svalbard and the outside world. The subsea fibre-optic connection is a key prerequisite for local communities, authorities and the operations of KSAT<sup>23</sup> in Svalbard. Income is based on wholesale sales of transmission capacity. The subsea fibre-optic connection has fixed, long-term customers. The Svalbard fibre-optic connection became operational in January 2004, and a new subsea fibre-optic connection is planned to replace it before its expected technical lifetime expires in 2028.

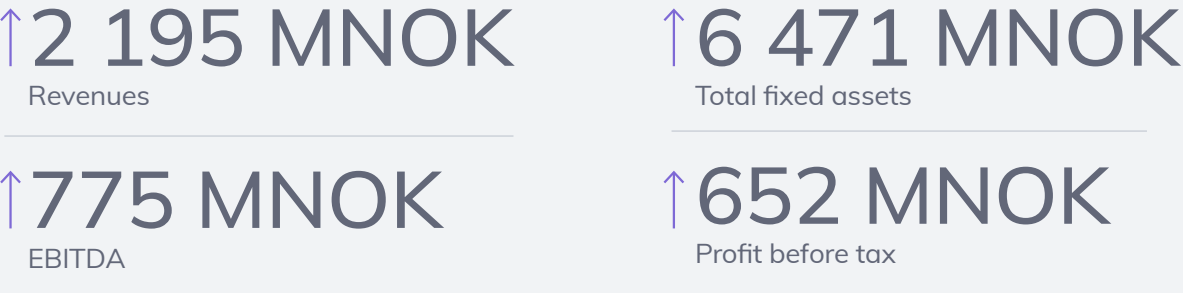
KSAT is owned 50/50 by Space Norway AS and Kongsberg Defence & Aerospace AS. The company is the world’s largest provider of services for satellite control and data reception in polar orbits. At year-end 2024, KSAT was operating approximately 360 antennas, and it conducted approximately 1,800,000 satellite contacts throughout the year.

The company provides services to, among others, Galileo and Copernicus, which are important ESA/EU-funded programmes. KSAT has delivered good growth and results over a long period of time.

In 2024, KSAT’s revenues were NOK 2,236 million (2023: NOK 1.900 million). In 2024, 77 per cent of sales derived from customers outside Norway. Earnings before interest, taxes, depreciation, and amortisation (EBITDA) was NOK 635 million (2023: NOK 624 million).

The demand for KSAT’s services remains strong, with growth anticipated across all of the company’s business areas.

Key figures from the 2024 financial report



Result and financial position

The Group’s total Revenues in 2024 was NOK 2,195 million, which represents an increase from NOK 96 million in 2023. The growth is due to the acquisition of Space Norway Satcom and extraordinary income in HEOSAT in connection with the start-up of ASBM. Earnings before interest, taxes, depreciation, and amortisation (EBITDA) was NOK 775 million, compared with NOK 714 million the previous year.

Net financial items represent NOK 172 million on a consolidated basis, compared with NOK 168 million in 2023.

Profit before tax was NOK 652 million in 2024, compared to a loss of NOK 240 million in 2023. This is explained by the acquisition of Space Norway Satcom, gains from extraordinary income in HEOSAT, and reversal of impairment in HEOSAT 2023. Negative tax expense in 2024 totalled NOK 39 million. Satcom has transferred its entire taxable profit as a group contribution of NOK 347 million to Space Norway and NOK 224 million to HEOSAT. This makes optimal use of the Group’s tax loss carryforwards and tax positions. At the same time, HEOSAT has allocated NOK 674 million in dividend to Space Norway. The Group’s profit after tax was NOK 691 million, compared with a loss of NOK 240 million in 2023.

At year-end 2024, The Group's total assets were NOK 8,452 million, compared with NOK 7,268 million in 2023. The acquisition of Telenor Satellite on 4 January 2024 entails an increase in fixed assets and a reduction in bank balances of NOK 2,360 million compared to 2023. At year-end 2024, assets under construction were recorded at NOK 368 million, compared with NOK 2,043 million in 2023. The change is largely due to the commissioning of ASBM.

<sup>22</sup>Arctic Satellite Broadband Mission

<sup>23</sup>Kongsberg Satellite Services

Investment in the associated company, Kongsberg Satellite Services (KSAT), totalled MNOK 1,004 at the end of 2024. The Group’s current assets represented NOK 1,981 million at year-end 2024, which is a decrease from NOK 4,240 million in 2023.

Total equity at year-end 2024 was NOK 4,690 million. This represents an increase from NOK 3,999 million at year-end 2023. The equity ratio at year-end 2024 was 55 per cent, the same as in 2023. The Group’s debt at 31.12.24 was NOK 3,762 million, of which NOK 3,378 million was related to the subsidiary HEOSAT. Long-term debt in HEOSAT at year-end 2024 consisted of bank loans (NOK 852 million) and advance payments from customers (NOK 1,634 million).

Net cash flow from operating activities was NOK 857 million in 2024 compared to NOK 254 million in 2023. Cash flow from investing activities totalled NOK -2,756 million in 2024, compared with NOK -475 million in 2023. The main reason for the change relates to the acquisition of Telenor Satellite AS in addition to the transition from project phase to operational phase in HEOSAT. Net cash flow from financial activities was NOK 341 million in 2024. The net change in the Group’s cash position was a reduction of NOK 1,558 million in 2024, and the cash balance totalled NOK 1,747 million at year-end 2024.

The investment programme for THOR 8 in Satcom will represent substantial cash expenditures in 2025. A considerable portion of the Group’s liquid assets is tied up in payment of committed contracts related to THOR 8. There is no basis for dividends from the parent company in 2025. The Board considers the liquidity to be satisfactory.

Space Norway AS is the parent company of the Group. The parent company's profit after tax for 2024 was NOK 667 million, compared to a loss of NOK 389 million in 2023.

The group contribution from Satcom totalled NOK 347 million. The dividend from HEOSAT amounts to NOK 674 million, which will be recognised as income in 2025. The years's profit is added to the equity. After allocation, the parent company's total equity stands at NOK 3,901 million. This corresponds to an equity ratio of 86 per cent. In accordance with Section 3-3 of the Norwegian Accounting Act, it is confirmed that the financial statements have been prepared under the going concern assumption.

The Board of Directors finds the results to be satisfactory. The Board of Directors is of the opinion that the annual accounts provide a true and fair view of the company's and the Group's assets and liabilities, financial position and profits at the end of the year.

**Tax policy**

The company and its wholly owned subsidiaries conduct their main operations in Norway and operate in accordance with Norwegian tax rules and regulations. The subsidiary Space Norway Satcom UK Ltd in London has five employees and performs services that are invoiced to Space Norway Satcom AS. The company has no other income. KSAT has activities in several countries outside Norway. The main activity is subject to Norwegian tax legislation (including separate tax legislation on Svalbard). Activities in other parts of the world are subject to local tax legislation.

**Innovation and development**

An important part of the Group's mandate is the further development of security-critical space-related infrastructure. Continuous efforts are made to identify, assess, and develop new projects that are relevant to future customer needs.

We work closely with the European Space Agency (ESA) and Norwegian technology companies on the development and testing of satellite-based solutions for ocean surveillance, maritime safety and emergency preparedness. These activities contribute to further building expertise both within the company and with our business partners. A key project is ADIS (Application Development In Space), which is a general strategic policy instrument for R&D and application and business development in the satellite sector. ADIS is based on a concept developed by Space Norway. The system will be a unique capacity under national control, and it will contribute to strategic positioning in relation

to the most important national user environments. The project strongly supports the company's strategy.

Through ADIS, Space Norway will realise strategic infrastructure for research, innovation and development in space.

The infrastructure will be available for in-house development projects and to others who require access to satellite infrastructure for their projects.

**Employees**

In line with the Board's plans, Space Norway AS has in 2024 further developed its own organisation and Executive Management Team.

The business has also acquired the expertise to manage existing commitments and develop new space-related infrastructure projects.

At year-end 2024, Space Norway AS, including wholly owned subsidiaries, had 172 employees. KSAT had 522 employees. The Group's Executive Management Team consists of seven men and three women.

Other staff resources are contracted on a consultancy basis. Salary levels at Space Norway AS are not market leading, but are competitive. The company seeks to meet the requirement for gender equality for new hires.

**Risk management and internal control**

The Group maintains a strong focus on risk assessments and measures to manage risk in operational activities and new projects. Risk assessments are carried out on an ongoing basis based on consequences in various dimensions with particular emphasis on financial consequences.

Risk management is also discussed in a separate chapter in the company's Annual Report on page 31.

As a result of the merger, the Group is now in the process of establishing a common framework for guidelines, procedures and process descriptions. We consider holistic corporate governance essential for successfully realizing scaling effects and avoiding unnecessary cost premiums as the company grows.

This work is scheduled to be finalised during 2025. Until a common framework is established, the former Telenor Satellite and Space Norway continue to operate under their respective and differing policy frameworks and internal control procedures, based on their previous organisational structures.

A sound assessment of potential risk factors affecting

the Group forms the basis for proper and systematic risk management.

The company's management actively participates in this process. Some of the most important risk factors for the Group and the industry are discussed below.

Market risk: The Group operates in different markets with different risk factors. A significant proportion of the company's contracts are long-term, and revenues are relatively predictable. This applies, e.g., to the areas broadcasting, ASBM<sup>24</sup> and subsea fibre-optic cables. Some markets are characterised by shorter contracts. This includes parts of the market for data services, especially mobile services. There has been relatively intense competition for several years, including from Starlink.

Risk of loss of satellite: Downtime is probably the most important risk factor for any satellite operator. The probability of losing a satellite is low but there can be a significant consequence in the event of a loss. The risk is managed partly by insuring fixed assets and partly through reserve capacity. The loss of a satellite would still have an adverse net effect for Space Norway. In 30 years of satellite operations, the company has never experienced the loss of a satellite or significant operational disruptions related to the company's satellites.

Risk of operational disruptions: The Group has delivery obligations, and operational interruptions may result in additional costs related to repairs. This is relevant for the fibre-optic connection to Svalbard. Space Norway has emergency preparedness agreements in place to enable swift action in the event of operational interruptions. Operational interruption will in many cases result in loss of revenue for Space Norway, or compensation to customers who experience insufficient quality of services.

Project risk: The Group has a substantial project portfolio, comprising major strategic projects as well as numerous initiatives aimed at operational improvements. The Group has its own processes for assessing and reporting project risk.

Cyber risk, IT security and sabotage: Threats to IT systems are a growing challenge for both businesses and the public sector. In addition, parts of the national threat picture are relevant to Space Norway. Any disruptions resulting from accidents, errors, sabotage, or deliberate hacking of systems can lead to operational interruptions, loss of information, reputation damage and significant adverse financial consequences.

The Group's activities within technology and critical infrastructure security necessitate a particular focus on security. Efforts to improve resilience and mitigate IT-related risk are ongoing and systematic in a landscape where the risk situation is constantly changing.

Anti-corruption and whistleblowing: The Group "has established" zero tolerance for corruption and has ethical guidelines, including anti-corruption procedures. The rules and procedures are reviewed with employees annually, and a separate whistleblowing procedure has been established.

Currency risk: The business has significant revenues and expenses in other currencies, particularly US dollars (USD) and euros (EUR). Currency hedging is an important tool in relation to large contracts, and a significant portion of the currency exposure over the next 3–4 years will be hedged through forward contracts. This applies, for example, to the main contracts related to THOR 8 and to dollar revenues related to ASBM.

The jointly continued entity KSAT has a large part of its revenues in USD and EUR, and the company is therefore exposed to currency risk. KSAT secures its contractual income streams through futures contracts.

Interest rate risk: The company has approximately USD 75 million in loans related to HEOSAT, but had no other interest-bearing debt as of 31.12.24. There is an interest rate risk associated with this loan. KSAT has a net positive cash position.

Liquidity risk: Space Norway had a positive cash position as at 31.12.24. The company is facing significant investments, including those related to THOR 8. In the years ahead, Space Norway will increase its loan exposure. This makes liquidity more vulnerable to factors that could have an adverse impact on cash flow in the coming years. The Group endeavours to manage liquidity risk through currency hedging, insurance and adequate capital buffer.

Credit risk: The Group's customers consist of government agencies as well as small and large private companies. Historically, losses on receivables have been relatively low. The Group has not experienced any payment problems among customers who account for a significant proportion of revenue. Space Norway has some major customers who, in the event of payment problems, could have a significant impact on the Group's revenues.

<sup>24</sup>Arctic Satellite Broadband Mission



Resource risk: The Group possesses a high level of expertise but resources are scarce. Space Norway is at all times dependent on utilising resources across the organisation where they are needed the most. The workload has remained high for a long time, and the Group is vulnerable in the event of illness or the departure of key personnel. To some extent, this is compensated for by using consultants.

Sustainable value creation

Sustainability is integrated into all parts of the business. Our most important strategic ambitions involve managing and further developing security-critical space-related infrastructure that meets important Norwegian societal needs.

We emphasise due care and consideration in our interactions with society, people, nature and the environment. As part of our sustainability efforts, we strive to develop resilient solutions that ensure critical societal functions continue to operate even in challenging times.

Space Norway will be subject to the new Corporate Sustainability Reporting Directive (CSRD) from the financial year 2025. This year's Sustainability Report is structured in accordance with the requirements of the European Sustainability Reporting Standards (ESRS), but the content reflects the fact that there is still some work to be done before we meet the standards. A key component of the new legislation is the requirement for a double materiality analysis (DMA). Space Norway conducted such an analysis in spring 2024. In the autumn of 2024, we carried out a gap analysis and established a requirements specification for the reporting for 2025. We are currently working intensively to conduct analyses, develop policies, and lay the groundwork for setting sound goals and action plans for our priority areas. These priority areas are:

- 1. Security-critical Infrastructure
- 2. Space Sustainability
- 3. Climate Change
- 4. Human and Labour Rights
- 5. Competence development

The Sustainability Report is a separate part of the Annual Report. We account for our sustainability responsibilities on our website [\(https://spacenorway.com/sustainability/\)](https://spacenorway.com/sustainability/).

The Norwegian Transparency Act

An account of our work related to the Norwegian Transparency Act is included as part of the Sustainability Report, but it is also available

as a stand-alone document on our website [\(https://spacenorway.com/norwegian-transparency-act/\)](https://spacenorway.com/norwegian-transparency-act/).

An attractive workplace

Space Norway is dependent on being an attractive workplace if we are to succeed in delivering on our strategic objectives. The Group's double materiality analysis revealed that expertise is a material topic for the Group, and this is one of our priority areas.

We aim to ensure that no employee falls ill or sustains injuries as a result of working at Space Norway. This means that we work systematically on health promotion and preventive measures. In 2024, the rate of sickness absence in the Group was 3.11 per cent (2023: 2.14 per cent).

No HSE incidents were reported in 2024.

We view a favourable and inclusive environment as a key success factor. That is why we systematically promote gender equality and work to avoid all forms of discrimination. There is generally a significant gender imbalance in the organisation, with a strong predominance of men at all levels. This imbalance is particularly pronounced in technology-intensive roles, which account for the majority of positions in the company. In recent years, we have achieved an even gender balance in our recruitment and are working to achieve a more even gender balance in the Group. Efforts to be a good and attractive employer are discussed in the chapter Own workforce (S1) in the Sustainability Report and in the Gender Equality Report. In line with regulatory requirements, this report will be made available in its entirety at <https://spacenorway.com/sustainability/>.

Shareholder relations

The share capital consists of 2,600,000 shares, each with a nominal value of NOK 130. All shares are owned by the Norwegian Ministry of Trade, Industry and Fisheries. It is proposed that the company's Articles of Association be updated at the General Meeting in June 2025 based on the reclassification as a Category 1 Company in 2024.

The Board of Directors

At year-end, the Board consisted of eight members, six of whom were elected by shareholders and two by employees. There are alternate members for the employee representatives. Eight board meetings have been held. The most significant matters decided by the Board include the company's strategy, goal and performance management, budget and accounting

with subsequent budget control, significant investment matters and development projects, as well as authorisations for the administration. Other matters reviewed by the Board primarily include status reports on significant areas as well as risk assessments.

The Board of Directors adheres to the Norwegian Code of Practice for Corporate Governance to the extent it is relevant, cf. the chapter on Corporate Governance in the Annual Report.

Board members are elected for two-year terms.

In 2024, a key topic for the Board has been the development of a strategy for the new organisation following the acquisition of Telenor Satellite. Considerable efforts have also been made on the major projects related to a new subsea fibre-optic cable for Svalbard and Jan Mayen, and THOR 8.

Guidelines for the remuneration of senior executives and the executive remuneration report for 2024 can be found on the company's website: [www.spacenorway.no](http://www.spacenorway.no).

Instructions have been established for the Board and the CEO, emphasising a clear division of responsibilities and tasks. The Board evaluates its work and expertise annually.

Liability insurance has been taken out for the board members and executive management team in each of the four companies: the parent company and the three wholly owned subsidiaries.

Skøyen, 2 April 2025

Svein Olav Munkeby  
Chair of the Board

Morten Haga Lunde  
Board Member

Tom Westby  
Board Member

Tore Olaf Rimmereid  
Board Member

Siri Løvlund  
Board Member

Per Atle Våland  
Board Member

Ann-Kari Heier  
Board Member

Ingelin Drøpping  
Board Member

Morten Tengs  
CEO

Financial prospects

Based on the above comments, the company's and Group's market, credit, and financial risks are regarded as moderate.

The Board of Directors believes that the company and Group are well positioned for the future. 2024 was a special year based on the acquisition of Satcom and the commissioning of deliveries related to ASBM. Underlying stable development is expected in 2025, adjusted for the special conditions in 2024.

Events occurring after the balance sheet date

In February 2025, the company signed an agreement with France's Thales Alenia Space for the construction of THOR 8. This is a new geostationary satellite scheduled to begin operations in 2028. THOR 8 will replace satellite capacity that is expected to be decommissioned in 2028-2029. In addition, it will provide growth capacity for new areas.

Based on the Storting's decision of 27 March, Space Norway and the Ministry of Trade, Industry and Fisheries have agreed to establish a new subsea fibre-optic connection to Svalbard and Jan Mayen.

Morten Tengs assumed the position of CEO on 18 February 2025, after serving as acting CEO since June 2024.



06

# Consolidated financial statements

Space Norway AS





## Income statement 2024

OPERATING INCOME AND OPERATING EXPENSES	NOTE
Revenues	2, 3, 4
Other operating revenues	2
<b>Total operating revenue</b>	
Variation in stocks of produced non-current assets	
Cost of materials	5
Personnel expenses	6
Depreciation of tangible assets and amortisation of intangible assets	10, 11
Impairment losses Write-downs of tangible assets and intangible assets	11
Other operating expenses	6
<b>Total operating expenses</b>	
<b>Operating profit</b>	
<b>FINANCIAL INCOME AND FINANCIAL EXPENSES</b>	
Income from investment in subsidiaries and associated companies	5, 12
Other financial income	7
Other financial expenses	7
<b>Net financial result</b>	
<b>Net profit for the year before taxes</b>	
Taxes	8
<b>NET PROFIT FOR THE YEAR</b>	
<b>TRANSFERS</b>	
Transferred from/to other equity	17
<b>Total transfers</b>	

PARENT COMPANY		GROUP	
2023	2024	2023	2024
82 713 833	86 146 012	90 077 758	2 150 035 626
44 815 092	45 238 724	5 507 324	45 238 724
<b>127 528 925</b>	<b>131 384 736</b>	<b>95 585 082</b>	<b>2 195 274 351</b>
0	-125 373 762	0	-566 238 439
18 938 364	19 456 919	21 161 065	942 567 705
55 354 984	70 540 819	60 087 658	268 865 791
14 069 277	17 690 445	14 124 150	601 909 546
0	0	307 000 000	-307 000 000
104 833 514	228 753 039	100 683 310	775 026 535
<b>193 196 139</b>	<b>211 067 459</b>	<b>503 056 183</b>	<b>1 715 131 137</b>
<b>-65 667 214</b>	<b>-79 682 723</b>	<b>-407 471 101</b>	<b>480 143 214</b>
20 000 000	25 000 000	169 198 000	152 821 500
25 629 227	754 219 264	52 590 721	290 573 037
-368 772 565	-31 620 004	-53 824 294	-271 444 880
<b>-323 143 338</b>	<b>747 599 261</b>	<b>167 964 427</b>	<b>171 949 657</b>
<b>-388 810 553</b>	<b>667 916 538</b>	<b>-239 506 674</b>	<b>652 092 870</b>
0	0	0	-39 116 140
<b>-388 810 553</b>	<b>667 916 538</b>	<b>-239 506 674</b>	<b>691 209 010</b>
-388 810 553	667 916 538	-239 506 674	691 209 010
<b>-388 810 553</b>	<b>667 916 538</b>	<b>-239 506 674</b>	<b>691 209 010</b>



Balance sheet at 31 December

ASSETS	NOTE
<b>Non-current assets</b>	
<b>Intangible assets</b>	
Other intangible assets	9, 10
Deferred tax assets	8
Goodwill	9, 10
<b>Total intangible assets</b>	
<b>Tangible assets</b>	
Property, buildings and other real estate	11
Machinery and equipment	9, 11
Operating movable property, furniture, tools, other	11
Assets under construction	11
<b>Total tangible assets</b>	
<b>Financial non-current assets</b>	
Investment in subsidiaries	12
Loans to group companies	5
Investments in associated companies	12
Deposits	13
Pension rights	14
Other long-term receivables	3
<b>Total financial non-current assets</b>	
<b>Total non-current assets</b>	
<b>Current assets</b>	
<b>Inventories</b>	15
<b>Receivables</b>	
Accounts receivables	5
Consolidated receivables	5
Other short-term receivables	5
<b>Total receivables</b>	
<b>Cash and deposits</b>	
<b>Total current assets</b>	
<b>TOTAL ASSETS</b>	

PARENT COMPANY		GROUP	
2023	2024	2023	2024
0	0	0	294 745 748
0	0	33 684	0
0	0	0	307 791 585
<b>0</b>	<b>0</b>	<b>33 684</b>	<b>602 537 333</b>
2 155 052	1 645 489	2 155 052	19 861 980
74 549 564	71 252 911	74 549 564	4 170 478 825
324 013	783 053	990 252	1 338 198
217 525 673	331 829 182	2 043 009 110	367 953 269
<b>294 554 301</b>	<b>405 510 636</b>	<b>2 120 703 978</b>	<b>4 559 632 272</b>
523 161 356	3 255 470 043		
0	32 771 059		
2 892 000	2 892 000	875 750 500	1 003 572 000
0	0	31 562 696	32 187 343
0	0	0	46 851 155
23 291 000	0	0	226 498 174
<b>549 344 356</b>	<b>3 291 133 102</b>	<b>907 313 196</b>	<b>1 309 108 672</b>
<b>843 898 657</b>	<b>3 696 643 738</b>	<b>3 028 050 858</b>	<b>6 471 278 277</b>
0	0	851 042 747	0
16 368 491	14 056 799	0	214 962 929
0	354 694 611	0	0
69 339 203	4 210 790	82 987 204	18 416 403
<b>85 707 694</b>	<b>372 962 200</b>	<b>82 987 204</b>	<b>233 379 332</b>
2 742 486 349	336 709 516	3 305 502 624	1 747 308 508
<b>2 828 194 043</b>	<b>709 671 716</b>	<b>4 239 532 575</b>	<b>1 980 687 840</b>
<b>3 672 092 700</b>	<b>4 406 315 454</b>	<b>7 267 583 433</b>	<b>8 451 966 117</b>



## Balance sheet at 31 December

EQUITY AND LIABILITIES	NOTE
<b>Equity</b>	
<b>Paid-up equity</b>	
Share capital	16, 17
Premium	16, 17
Adopted, not registered capital increase	
<b>Total paid-up equity</b>	
<b>Retained earnings</b>	
Other equity	16, 17
<b>Total retained earnings</b>	
<b>Total equity</b>	
<b>Liabilities</b>	
<b>Allowances for liabilities</b>	
Pension liabilities	
Deferred taxes	8
Other allowances for liabilities	18
<b>Total allowances for liabilities</b>	
<b>Other long-term liabilities</b>	
Debt to credit institutions	18
Prepayment from customers	19
Other long-term liabilities	18
<b>Total other long-term liabilities</b>	
<b>Short-term liabilities</b>	
Trade creditors	5
Tax payable	8
Value added taxes	
Debt to group companies	5
Other short-term liabilities	5
<b>Total short-term liabilities</b>	
<b>Total liabilities</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	
Guarantee provisions	13

PARENT COMPANY		GROUP	
2023	2024	2023	2024
99 300 000	338 000 000	99 300 000	338 000 000
869 918 284	2 991 218 284	869 918 284	2 991 218 284
2 360 000 000	0	2 360 000 000	0
<b>3 329 218 284</b>	<b>3 329 218 284</b>	<b>3 329 218 284</b>	<b>3 329 218 284</b>
-195 517 913	472 398 625	669 362 819	1 360 552 043
<b>-195 517 913</b>	<b>472 398 625</b>	<b>669 362 819</b>	<b>1 360 552 043</b>
<b>3 133 700 371</b>	<b>3 801 616 909</b>	<b>3 998 581 103</b>	<b>4 689 770 327</b>
0	0	0	13 844 546
0	0	0	392 730 584
4 000 000	4 000 000	4 000 000	5 161 371
<b>4 000 000</b>	<b>4 000 000</b>	<b>4 000 000</b>	<b>411 736 501</b>
0	0	467 930 400	851 505 000
399 372 261	500 393 189	2 713 248 492	2 134 260 349
0	0	12 155 172	38 635 956
<b>399 372 261</b>	<b>500 393 189</b>	<b>3 193 334 064</b>	<b>3 024 401 305</b>
57 154 832	16 170 598	71 519 266	32 776 191
0	0	0	221 338
4 456 329	0	0	81 645 696
51 877 784	0	0	0
21 531 123	84 134 758	0	211 414 759
135 020 068	100 305 356	71 519 266	326 057 984
<b>538 392 329</b>	<b>604 698 545</b>	<b>3 268 853 330</b>	<b>3 762 195 790</b>
<b>3 672 092 700</b>	<b>4 406 315 454</b>	<b>7 267 434 433</b>	<b>8 451 966 117</b>
61 020 000	64 374 686	61 020 000	64 374 686

# Balance sheet at 31 December

Skøyen, 2 April 2025

**Svein Olav Munkeby**  
Chair of the Board

**Tore Olaf Rimmereid**  
Board Member

**Ann-Kari Heier**  
Board Member

**Morten Haga Lunde**  
Board Member

**Siri Løvlund**  
Board Member

**Ingelin Drøpping**  
Board Member

**Tom Westby**  
Board Member

**Per Atle Våland**  
Board Member

**Morten Tengs**  
CEO



Photo: Kilian Munch



## Cash flow statement

### CASH FLOWS FROM OPERATING ACTIVITIES: NOTE

Net profit for the year before taxes	
Paid taxes during the period	
Ordinary depreciations	9, 10,11
Change in goods	15
Change in accounts receivables	
Change in trade creditors	
Effect of currency exchange rate changes	
Changes in intercompany balances	5
Change in advances on projects	19
Change in accounting policy for investment in associates	12
Change in other current assets and other liability items	
<b>Net cash flows from operating activities</b>	

### CASH FLOWS FROM INVESTMENT ACTIVITIES:

Disbursements for purchase of tangible assets	10, 11
Disbursements for purchases of intangible assets	
Net cash effect of Satcom acquisition	9
Disbursement of capital contribution in subsidiaries	
Proceeds from sale of financial non-current assets	
Disbursements for purchase of financial non-current assets	9
Proceeds from investments in financial non-current assets	12
Disbursements for investments in financial non-current assets	
<b>Net cash flows from investment activities</b>	

### CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from the issuance of new long-term liabilities	18
Disbursement for repayment of long-term liabilities	
Proceeds from the issuance of new short-term liabilities	
Proceeds from equity through capital contributions	
<b>Net cash flow from financing activities</b>	

Net change in cash and deposits	
Cash and cash equivalents at 01.01.	
<b>Cash and cash equivalents at 31.12.</b>	

### PARENT COMPANY

2023	2024	2023	2024
–388 810 553	667 916 538	–200 835 673	652 092 870
0	0	–36 407 500	–137 928 275
14 069 277	17 690 445	118 338 650	601 909 545
0	0	0	851 042 747
–6 086 696	2 311 692	42 767 857	–149 766 502
23 759 769	–40 984 234	61 899 514	–53 129 226
0	0	14 494 600	0
0	–358 928 600	0	0
195 386 232	101 020 928	195 386 232	–790 853 942
0	0	–115 027 999	0
11 132 558	42 860 866	–133 684 026	190 680 155
<b>199 450 587</b>	<b>81 887 635</b>	<b>253 931 655</b>	<b>857 047 372</b>

–147 622 788	–128 646 780	–544 980 406	–626 317 019
0	0	–7 928 500	0
0	0	0	–2 001 685 443
–400 000 000	0	0	0
77 615 633	0	100 756 162	0
0	–2 359 017 688	0	0
0	0	0	–127 821 500
0	0	–23 140 532	0
<b>–470 007 155</b>	<b>–2 487 664 467</b>	<b>–475 293 276</b>	<b>–2 755 823 963</b>

0	0	0	383 574 600
0	0	–5 000 000	–42 992 126
0	0	15 966 000	0
2 859 003 700	0	2 859 003 700	0
<b>2 859 003 700</b>	<b>0</b>	<b>2 869 969 700</b>	<b>340 582 474</b>

2 588 447 132	–2 405 776 832	2 648 608 079	–1 558 194 116
154 039 216	2 742 486 349	656 894 545	3 305 502 624
<b>2 742 486 349</b>	<b>336 709 516</b>	<b>3 305 502 624</b>	<b>1 747 308 508</b>

Note 1 Accounting principles

The annual accounts have been prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles in Norway.

Basis for consolidation

- The Group consists of:
- Space Norway AS – parent company
  - StatSat AS – 100 per cent owned subsidiary
  - Space Norway HEOSAT AS – 100 per cent owned subsidiary
  - Space Norway Satcom AS – 100 per cent owned subsidiary
  - Kongsberg Satellite Services AS (KSAT AS) - associated company 50 per cent

The consolidated financial statements have been prepared as if the Group were one economic entity. Intra-Group transactions and balances are eliminated. The consolidated financial statements have been prepared in accordance with uniform principles in that the subsidiaries adhere to the same accounting principles as the parent company. Subsidiaries and associated companies are recognised according to the cost method in the financial statements of Space Norway AS. StatSat AS, Space Norway HEOSAT AS, and Space Norway Satcom AS are consolidated in their entirety, while KSAT AS is recognised using the equity method in the consolidated financial statements.

Revenues

Revenue is recognised when goods are delivered or services rendered. Revenue is recognised at the value of the consideration at the time of the transaction.

Construction contracts

For construction contracts, revenue is recognised as the project progresses (percentage of completion method). The percentage of completion is calculated as costs incurred on the balance sheet date, as a percentage of the estimated total cost. For construction contracts that are expected to result in a loss, a provision is recognised for the net cost of remaining contractual production.

Expenses

Expenses are generally recognised in the same period as the related revenue. In cases where there is no clear correlation between expenses and revenue, the allocation is determined according to discretionary criteria. Other exceptions to the matching principle are indicated where applicable.

Taxes

The tax expense is matched with the accounting profit before tax. Tax related to equity transactions is recognised in equity. The tax expense consists of tax payable (tax on the year’s directly taxable income) and changes in net deferred tax. Deferred tax and deferred tax assets are presented net in the balance sheet.

No allowances are made for tax on recognised share of profits from Norwegian subsidiaries or Norwegian associated companies due to the tax exemption method.

Main rule for assessment and classification of assets and liabilities

Assets intended for permanent ownership or use are classified as non-current assets. Other assets are classified as current assets. Receivables to be repaid within one year are classified as current assets. The classification of short-term and long-term liabilities is based on similar criteria.

Current assets are recognised at the lower of cost and fair value.

Non-current assets are valued at acquisition cost, but are written down to the recoverable amount if this is lower than the book value and the decline in value is not expected to be temporary. Current assets with a limited useful life are depreciated according to plan.

Other short-term and long-term liabilities are recognised at nominal value.

Intangible assets

Expenses for in-house research are expensed directly. Expenses for in-house development is capitalised when it is probable that the future economic benefits associated with the assets will flow to the company and the cost can be measured reliably.

Intangible assets that are purchased individually are recognised at acquisition cost. Intangible assets acquired through the acquisition of a business are recognised in the balance sheet at acquisition cost when the criteria for recognition are met.

Intangible assets with a limited useful life are depreciated according to plan. Intangible assets are written down to their recoverable amount if the expected economic benefits do not cover the carrying amount and any remaining production costs.

Shares and participations in associated companies and subsidiaries

Investments in subsidiaries are recognised using the cost method. Investments are written down to fair value if the impairment is not temporary and it is deemed necessary in accordance with Generally Accepted Accounting Principles. Dividends and group contributions received from subsidiaries are recognised as other financial income. The same applies to investments in associates, which are valued according to the cost method in the company accounts and the equity method in the consolidated accounts.

Receivables

Accounts receivables and other receivables are recognised at nominal value less allowances for expected

losses. Allowances for losses are made on the basis of an individual assessment of each receivable.

Cash and deposits

Cash and deposits include cash, bank deposits and other means of payment with a maturity date of less than three months from acquisition.

Assets and liabilities in foreign currency

Monetary items in foreign currencies are translated in the balance sheet at the exchange rate on the balance sheet date. Forward exchange contracts are recognised at fair value on the balance sheet date.

Note 2 Revenues

By geographical market:	PARENT COMPANY		GROUP	
	2023	2024	2023	2024
Norway	127 528 925	123 994 919	95 585 082	1 839 362 457
Europe excl. Norway	–	8 522 478	–	296 792 702
Asia	–	–	–	33 575 049
America	–	–	–	21 479 865
Other	–	–	–	4 064 277
Total	127 528 925	132 517 397	95 585 082	2 195 274 351

During the year, the Group completed a significant project. On completion of the project, ownership of part of the overall project was transferred to a third party. The transfer to a third party generated total revenue of NOK 967 million, and the related cost of goods sold was NOK 851 million.

The Group also has a contract with the same third party for ongoing service provision during the life of the asset. This is estimated at 15 years. The contract with the third

party is complex. There is no clearly identified price for the asset, and the ongoing service and cash flows are largely uncorrelated with the deliverables. Therefore, a discretionary judgement/estimate has been made as to how much of the revenue in the contract with the third party is related to the delivery of asset and how much is related to subsequent service deliveries. The company has assessed the market value/market margin of the various deliverables when exercising its discretionary judgement.



Note 3 Accrued contract revenue

Accrued contract revenue for ongoing projects with continuous delivery is recognised gross as other receivables (earned, non-invoiced revenue) and other short-term liabilities (unearned, invoiced revenue).

Advances from customers total NOK 2,134 million and are linked to the fibre-optic connection to Svalbard,

Earth observation and ASBM. Revenue is accrued over the expected useful life.

The company's advance payments for services related to the operation of the ASBM system totalled NOK 225 million. The costs are amortised over the estimated useful life of the satellite system.

Note 4 Construction contracts

By geographical market:	PARENT COMPANY		GROUP	
	2023	2024	2023	2024
Revenue recognised on construction contracts in progress	–	16 102 576	–	16 102 576
Costs related to earned income/loss allowances	–	–13 820 414	–	–13 820 414
Net recognised income on work in progress	–	2 282 162	–	2 282 162
Production invoiced in advance included in other short-term liabilities	–	27 897 424	–	27 897 424

The Group has one ongoing project that, as of the 2024 financial year, is regarded as a construction contract and recognised using the percentage of completion method.

Note 5 Transactions and balances with related entities

Transactions with related entities:

Counterpart	Relationship	Accounts receivables and other receivables		Trade creditors and other liabilities	
		2023	2024	2023	2024
Space Norway HEOSAT AS	Subsidiary	13 703 672	9 216 227	–	–
Statsat AS	Subsidiary	2 246 955	1 099 755	–	–
Space Norway Satcom AS*	Subsidiary	–	387 465 670	–	4 431 000
KSAT AS	Associated company	182 895	3 442 007	59 077 784	76 253 035
Total		2 429 850	392 007 432	59 077 784	80 684 035

\*Space Norway Satcom AS became part of the Group as of 01.01.2024. Any outstanding balance with Space Norway Satcom AS as at 31.12.2023 is not included in the notes

Transactions with related entities recognised in profit or loss:

Transaction/ transaction group	Belongs to line item	Counterpart	Relationship	2023	2024
Sales	Sales	KSAT AS	Associated company	4 856 526	4 856 526
Expenses	Cost of materials	KSAT AS	Associated company	–721 248	–750 307
Total				4 135 278	4 106 219

Note 6 Personnel expenses, number of employees, remuneration, loans to employees etc.

Personnel expenses	PARENT COMPANY		GROUP	
	2023	2024	2023	2024
Salaries	34 464 525	51 588 490	51 051 312	222 600 553
National Insurance contribution	7 166 958	8 943 542	10 048 377	28 985 577
Pension expenses (see Note 14)	3 144 015	5 440 541	4 658 038	14 638 428
Other benefits	10 579 486	4 568 245	13 565 356	29 663 011
Variation in stocks of assets under construction* **	–	–	–19 235 425	–27 021 778
Total	55 354 984	70 540 819	60 087 658	268 865 791
Number of full-time equivalents employed in the financial year	40	48	58	173

\* Personnel expenses in Space Norway HEOSAT AS were capitalised as assets under construction until the project was completed in October 2024.

\*\* Personnel expenses in Space Norway Satcom AS are capitalised as assets under construction.

No loans or security have been provided to the CEO, board members or other related entities.

The company is under no obligation to provide senior executives, board members or the Chair of the Board with special remuneration upon termination or change of employment or office.

The board members have no agreements on special remuneration on termination or change of office, agreements on bonuses, profit sharing, options or similar.

Management personnel in Space Norway Satcom AS have annual bonus agreements with a maximum limit of three months' fixed remuneration.

The company has no obligation to grant the Board of Directors options or rights that entitle employees or employee representatives to subscribe to, purchase or sell shares.

## Note 6 Personnel expenses, number of employees, remuneration, loans to employees etc.

The Board of Directors has issued a separate declaration on executive compensation

	Salaries and board remuneration	Other benefits	Contributory pension scheme	Loan/ note
Chair of the Board	384 000			
CEO	2 624 000	1 183 000	551 000	
CFO	1 289 000	286 500	120 000	
Director, Human Resources & Administration	1 530 000		155 000	
Director, Subsea Cable Systems	1 470 000		161 000	
Director, Innovation & Development	1 470 000		151 000	
Programme Director, ASBM	1 505 000		150 000	
Director, Earth Observation	1 470 000		160 000	
Director, Legal Counsel	1 579 000		169 000	

### Auditor

Remuneration to Deloitte AS and cooperating companies breaks down as follows:

	PARENT COMPANY		GROUP	
	2023*	2024	2023*	2024
Statutory audit and accounting technical assistance*	1 114 313	1 326 613	2 108 313	3 069 523
Tax-related assistance	445 305	–	2 624 754	–
Other assistance	38 095	–	101 595	–
<b>Total</b>	<b>1 597 713</b>	<b>1 326 613</b>	<b>4 834 662</b>	<b>3 069 523</b>

\* Expensed audit fees relate to the finalisation of the 2023 financial statements from the previous auditor, and preliminary expensed audit fees to the current auditor for the 2024 financial statements.

## Note 7 Financial items

	PARENT COMPANY		GROUP	
	2023	2024	2023	2024
Interest income group companies	–	1 894 815	–	–
Other interest income	25 629 227	36 649 931	56 415 221	93 353 489
Reversal of impairment of financial assets	–	350 000 000	–	–
Foreign exchange gains	–	18 284 934	–	172 153 737
Received group contributions	–	347 389 585	–	–
Other financial income	–	–		25 065 811
<b>Total financial income</b>	<b>25 629 227</b>	<b>754 219 264</b>	<b>56 415 221</b>	<b>290 573 037</b>

	PARENT COMPANY		GROUP	
	2023	2024	2023	2024
Other interest expenses	5 994 771	21 719 607	48 667 994	83 418 345
Impairment of financial assets	350 000 000	–	–	–
Foreign exchange losses	12 777 794	9 900 397	–	180 443 405
Other financial expenses				7 583 131
<b>Total financial expenses</b>	<b>368 772 565</b>	<b>31 620 004</b>	<b>48 667 994</b>	<b>271 444 880</b>

<b>Net financial result</b>	<b>–343 143 338</b>	<b>722 599 261</b>	<b>7 747 227</b>	<b>19 128 157</b>
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## Note 8 Taxes

	PARENT COMPANY		GROUP	
Tax expense for the year:	2023	2024	2023*	2024
Tax payable	–	–	–	221 338
Change in deferred tax/tax assets	–	–	–	–34 990 296
Tax effect recognised directly in equity			–	–4 347 183
<b>Taxes</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–39 116 140</b>

	PARENT COMPANY		GROUP	
Taxable income	2023	2024	2023*	2024
Result before tax	–388 810 553	667 916 538	–200 835 673	652 092 870
Permanent differences	320 577 985	–720 968 674	3 591 563	–182 576 571
Change in temporary differences	–864 370	7 355 171	318 258 029	–575 809 653
Received group contributions	–	347 389 585	–	–
Utilisation of loss carryforwards	–	–301 692 620	–152 448	–301 692 620
<b>Basis for calculation of tax payable</b>	<b>–</b>	<b>–</b>	<b>120 861 471</b>	<b>–</b>

	PARENT COMPANY		GROUP	
Tax payable in the balance sheet	2023	2024	2023*	2024
Tax expense payable for the year	–	–	39 823 000	221 338
<b>Tax payable in the balance sheet</b>	<b>–</b>	<b>–</b>	<b>39 823 000</b>	<b>221 338</b>

	PARENT COMPANY		GROUP	
Basis for deferred tax/tax assets	2023	2024	2023*	2024
Fixed assets	2 294 566	–208 875	–376 761 195	1 876 582 859
Gain/loss account	91 942	73 553	–743 558	4 715 910
Receivables	–	–4 833 340	–4 185 000	–1 372 363
Accounting allowances for liabilities	–4 000 000		–27 871 000	–7 221 371
Financial instruments	–	–	144 000	–
Net plan assets recognised in the balance sheet	–	–	–221 500	33 006 609
Losses carried forward	–301 692 618	–	–381 735 638	–121 787 501
<b>Total</b>	<b>–303 306 110</b>	<b>–4 968 663</b>	<b>–791 373 891</b>	<b>1 783 924 143</b>
Differences not included in temporary differences	303 306 110	4 968 663	690 240 437	4 968 663
<b>Basis for calculation of deferred tax/tax assets</b>	<b>–</b>	<b>–</b>	<b>–101 133 454</b>	<b>1 788 892 806</b>
<b>Recognised deferred tax/tax assets at 31.12</b>	<b>–</b>	<b>–</b>	<b>–26 403 184</b>	<b>393 556 417</b>

\*Comparative figures for 2023 have not been restated and are therefore consistent with the presented consolidated financial statements.

## Note 9 Business acquisition

### Acquisition of Space Norway Satcom AS (formerly Telenor Satellite AS)

On 16 November 2023, Space Norway AS announced an agreement to acquire Telenor Satellite AS from Telenor Networks Holding AS. The transaction closed on 4 January 2024.

The rationale for the transaction was to strengthen Norway's position in the space industry by combining expertise and resources to initiate the procurement process for new satellites. This would ensure continuity and quality of satellite services while allowing Telenor to focus on its core business. Furthermore, as Space Norway is wholly owned by the Ministry of Trade, Industry and Fisheries, the acquisition secures Norway's strategic control over critical satellite

infrastructure, promotes growth in the space sector, strengthens national security and positions Norway as a significant actor in the global satellite market.

The closing date for the transaction was 4 January 2024, and as a practical approximation, 31 December 2023 is used as the transaction date. The base compensation was set at NOK 2.36 billion.

Identified fair value adjustments in the acquisition relate to customer relationships (331 MNOK) and satellites (932 MNOK), with goodwill amounting to 385 MNOK.

### Purchase price allocation

The purchase price allocation identified the following assets and liabilities at the acquisition date:

Assets:	MNOK
Intangible assets	331 299 277
Tangible assets	2 115 117 017
Other assets	429 667 645
<b>Total assets</b>	<b>2 876 083 938</b>

Liabilities:	MNOK
Deferred taxes	427 799 539
Other liabilities	483 023 881
<b>Total liabilities</b>	<b>910 823 421</b>

<b>Net identified assets</b>	<b>1 965 260 518</b>
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Goodwill:	MNOK
Final compensation	2 350 000 000
Net identified assets	–1 965 260 518
<b>Goodwill</b>	<b>384 739 482</b>

<b>Total net assets</b>	<b>2 350 000 000</b>
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Remuneration:	MNOK
Cash remuneration	2 360 000 000
Adjustment of remuneration	–2 600 000
Pension-related adjustments	–7 400 000
<b>Final compensation</b>	<b>2 350 000 000</b>

Note 10 Intangible assets

GROUP	Goodwill	Fair value adjustments customer relationship	Software	TOTAL
Acquisition costs as at 01.01.2024	–	–	–	–
Additions	384 739 482	331 104 737	10 131 004	725 975 223
Disposals	–	–	–	–
Acquisition costs as at 31.12.2024	384 739 482	331 104 737	10 131 004	725 975 223
Accumulated depreciation as at 31.12.24	76 947 896	36 494 201	9 995 793	123 437 890
Book value as at 31.12.24	307 791 585	294 610 536	135 212	602 537 333
Depreciation for the year	76 947 896	36 494 201	59 328	113 501 425
Useful life	5 years	9-10 years	0-5 years	
Depreciation schedule	Straight line	Straight line	Straight line	

Note 11 Tangible assets

PARENT COMPANY	Buildings and property	Machinery and equipment	Operating movable property, furniture, etc.	Assets under construction	TOTAL
Acquisition costs as at 01.01.2024	4 194 464	309 740 558	1 246 996	217 525 673	532 707 691
Additions	–	13 717 017	626 253	114 303 509	128 646 780
Disposals					–
Acquisition costs as at 31.12.2024	4 194 464	323 457 575	1 873 249	331 829 182	661 354 471
Accumulated depreciation as at 31.12.24	2 548 975	252 204 664	1 090 196	–	255 843 834
Book value as at 31.12.24	1 645 489	71 252 911	783 053	331 829 182	405 510 636
Depreciation for the year	509 563	17 013 669	167 213	–	17 690 445
Useful life	25 years	25 years	5 years	None	
Depreciation schedule	Straight line	Straight line	Straight line	Depreciations	

GROUP	Buildings and property	Machinery and equipment	Operating movable property, furniture, etc.	Assets under construction*	TOTAL
Acquisition costs as at 01.01.2024	4 194 464	309 740 558	1 979 508	2 350 009 110	2 665 923 640
Additions	96 296 972	4 441 881 450	24 617 411	591 292 271	5 154 088 105
Fair value adjustment of tangible assets	–	932 192 959	–	–	932 192 959
Transfer from assets under construction	–	2 573 348 112	–	–2 573 348 112	–
Disposals	–	–	–	–	–
Acquisition costs as at 31.12.2024	100 491 436	8 257 163 080	26 596 919	367 953 269	8 752 204 704
Accumulated depreciation as at 31.12.24	80 629 456	3 883 286 340	16 340 849	–	3 980 256 646
Amortisation of fair value adjustment	–	212 315 791	–	–	
Book value as at 31.12.24	19 861 979	4 161 560 948	10 256 071	367 953 269	4 559 632 268
Amortisation for the year	1 592 763	482 814 704	4 000 654	–	488 408 120
Write-downs for the year	–	–	–	–	
Reversed write-downs for the year	–	307 000 000	–	–	307 000 000
Useful life	20-50 years	15-25 years	5-10 years	None	
Depreciation schedule	Straight line	Straight line	Straight line	Depreciations	

\*Acquisition cost as at 01.01 is adjusted by the allocated portion of ASBM associated with the cost of payload (see note on inventories).

Reversal of write-down is based on a discounted cash flow analysis. This shows a positive value surplus (headroom) related to the asset, and last year's write-down has therefore been fully reversed in 2024.



Note 12 Subsidiaries, associated companies, etc.

Company name		Business office	Number of shares	Ownership share	Voting share	Book value 31.12.2024
Space Norway HEOSAT AS	Subsidiary	Oslo	100	100 %	100 %	871 311 824
Statsat AS	Subsidiary	Oslo	1 000	100 %	100 %	2 000 000
Space Norway Satcom AS	Subsidiary	Fornebu	192 591	100 %	100 %	2 382 158 219
KSAT AS	Associated company	Tromsø	1 000 000	50 %	50 %	2 892 000
Total investments in shares in other companies						3 258 362 043

Companies recognised according to the equity method*	2023	2024
Original acquisition cost	2 892 000	2 892 000
Equity recognised in the balance sheet at the time of acquisition	2 892 000	2 892 000
Attributable fair value adjustment	–	–
Goodwill	–	–
Opening balance 01.01.	726 552 500	875 750 500
– of which unamortised fair value adjustment	–	–
– of which unamortised goodwill	–	–
Share of profit for the year	169 198 000	152 821 500
Amortisation of fair value adjustments	–	–
Amortisation of goodwill	–	–
Transfers to/from the company (dividend, group contribution)	–20 000 000	–25 000 000
Other changes during the year	–	–
Closing balance 31.12	875 750 500	1 003 572 000

\*In the consolidated financial statements for the year 2024, last year's figures have been restated from the cost method to the equity method in accordance with the accounting of associated companies. This change has been made to better reflect the Group's financial interest in KSAT and to provide a more accurate presentation of the Group's financial position and results.

KSAT is the world's largest provider of services for satellite control and data reception in polar orbits. At year-end 2024, KSAT was operating approximately 360 antennas and conducted approximately 1,800,000 satellite contacts throughout the year.

On restatement, the comparative figures have been adjusted to conform to the equity method. This means

that the investment in KSAT is now recognised at acquisition cost, adjusted for changes in the Group's share of net assets after the acquisition date. The result from KSAT is included in the Group's consolidated result in proportion to the Group's ownership interest.

The effect of the restatement on the consolidated financial statements can be summarised as follows:

- Increase in investments in associated companies as of 31 December 2023.
- Adjustment of the Group's share of profit from associated companies for the year 2023.
- Changes in equity as of 31 December 2023.

This change in accounting policy has no cash flow effect for the Group, but provides a more accurate presentation of the Group's financial position and results.

Note 13 Pledges and guarantees etc.

The Group has provided a guarantee of USD 6 million and paid a deposit of USD 3 million to the FCC for market access in the USA. If the market access that ASBM is intended to cover is not realised, the deposit/ guarantee paid will be regarded as a loss for the

company. No allowances have been recognised in the financial statements for this scenario. The guarantee and paid deposit are currency adjusted at the exchange rate on the balance sheet date.

Note 14 Pension costs, assets and liabilities

The company is obliged to have an occupational pension scheme in accordance with the Norwegian Act relating to mandatory occupational pension schemes, and has a pension scheme that satisfies the requirements of this Act.

All companies in the Group have defined contribution pensions. Space Norway Satcom AS also has defined benefit pension schemes with future pension liabilities that are closed to new members.

**Defined contribution pension**  
The company's defined contribution scheme is organised in accordance with the Norwegian Act relating to defined contribution pension schemes. The scheme covers all employees in the Group. The benefits that the employee receives are based on the contributions from the employer and gains or losses from investing the capital. Contributions to defined contribution pension schemes are recognised as an expense in the income statement when they are incurred.

**Defined benefit pension**  
A defined benefit scheme is a pension scheme where the employer promises an annual pension on retirement based on a percentage of the salary on retirement and the employee's earnings history, years of service and age. Pension liabilities are determined by discounting estimated future pension payments less the fair value of the pension assets. The discount rate is based on yields of high-quality corporate bonds in the same currency and with a maturity corresponding to the related pension liability. The defined benefit liability is calculated annually by independent actuaries using a straight-line accrual model. Costs for current and past service in addition to non-routine pension settlements are presented as personnel expenses. Net interest expense is recognised as a financial expense in the income statement. Changes in estimates, including actuarial gains and losses and returns on plan assets exceeding the discount rate, are

recognised in total comprehensive income and are not subsequently reclassified to the income statement.

**Key assessments and estimates**  
The present value of the pension liabilities depends on a number of actuarial assumptions, including the discount rate, expected salary growth, inflation, and return on capital, as well as demographic factors such as mortality, retirement rates, disability, and early retirement. Assumptions about all these factors are based on the situation at the time of the assessment, while it is expected that such factors will change over the long periods for which pension calculations are made. Any changes in these assumptions will affect the calculated pension liabilities with immediate recognition in other comprehensive income.

**Significant pension schemes**  
Space Norway Satcom AS is obliged to have an occupational pension scheme under the Norwegian Act relating to mandatory occupational pension schemes. The company's pension schemes fulfil the requirements of this Act. The company is a member of a defined benefit pension scheme, Telenor Pensjonskasse. This scheme was closed to new members in 2006. In the same year, a collective defined contribution pension scheme was established for new employees in the company and employees who, as of 1 June 2006, voluntarily opted to transfer from a defined benefit scheme in Telenor Pensjonskasse to a defined contribution pension scheme. 28 employees in the company are covered by the pension fund as of 31 December 2024. In addition, 75 active employees are part of the defined contribution pension scheme. Space Norway Satcom AS has a contractual early retirement scheme (new AFP). The scheme essentially entitles all Norwegian employees to a supplementary pension from the age of 62 for the rest of their lives. This is in addition to other pension schemes. The scheme is funded through a partnership in which private sector employers contribute two-thirds of the funding

Cont.

## Note 14 Pension costs, assets and liabilities

and the Norwegian central government contributes one-third. The scheme is recognised as a defined contribution scheme. Risk table K2013 is applied for death and life expectancy, while the risk table for disability in the main scheme is based on previous experience in Telenor Pensjonskasse.

The actuarial calculations of the defined benefit pension liabilities were performed by independent actuaries. The present value of the defined benefit pension liabilities, as well as the current and prior periods' pension entitlements, were calculated using a linear accrual method.

### Group

Financial assumptions (defined benefit schemes)	2023	2024
Discount rate in per cent	–	3.50
Annual salary growth in per cent		3.25
Annual adjustment of pensions in per cent		2.25
Retirement rate in per cent		2.86
Expected average remaining service period, in years		7
Increase in basic amount (G) in per cent		3.25

The discount rate for 2024 has been determined in accordance with guidance from NRS and based on the market rate for covered bonds (OMF).

### Percentage distribution of pension assets by investment category as at 31.12:

Investment category (in per cent)	2023	2024
Bonds	0	58
Shares	0	37
Other	0	5
<b>Total</b>	<b>0</b>	<b>100</b>

Total pension costs recognised in profit or loss for the year are as follows:

Defined contribution plans and early retirement schemes	2023	2024
Defined contribution plans	–	6 067 000
Early retirement schemes	–	50 000
AFP, NHO contribution – head premium per employee	–	1 749 000
<b>Total defined contribution plans and early retirement schemes</b>	<b>–</b>	<b>7 866 000</b>

Defined benefit plans:	2023	2024
Cost of pension accrual in the current period	–	5 685 000
<b>Total defined benefit plans</b>	<b>–</b>	<b>5 685 000</b>

Interest income and interest expenses:	2023	2024
Interest income on plan assets	–	5 295 000
Interest expense on pension liabilities	–	–4 827 000
Net interest income and interest expense	–	468 000

<b>Total pension expenses recognised in profit or loss for the year</b>	<b>–</b>	<b>13 083 000</b>
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Changes in pension estimates:	2023	2024
Effect of changes in financial assumptions	–	–4 848 000
Fact-based changes	–	–19 240 000
Return on plan assets (excluding net interest expenses)	–	4 328 000
<b>Total change in pension estimates (included in other comprehensive income)</b>	<b>–</b>	<b>–19 760 000</b>

### Pension liabilities and assets are recognised as follows:

Changes in estimated defined benefit pension liability	2023	2024
Gross defined benefit pension liability 01.01.	–	146 594 000
Business transfer 1)	–	–
Cost of pension accrual in the current period	–	5 684 000
Interest expenses on pension liabilities	–	4 827 000
Effect of changes in financial assumptions	–	–520 000
Benefit payments and paid-up policies, employer	–	–1 075 000
Employer's national insurance contributions	–	–973 000
<b>Gross defined benefit pension liability 31.12.</b>	<b>–</b>	<b>154 537 000</b>

Change in plan assets:	2023	2024
Fair value of plan assets 01.01.	–	157 178 000
Business transfer 1)	–	–
Interest income on plan assets	–	5 296 000
Premium payments	–	7 774 000
Benefit payments and paid-up policies	–	–971 000
Employer's national insurance contributions	–	–974 000
Return on plan assets (excluding interest expenses)	–	19 240 000.00
Fair value of plan assets 31.12.	–	187 543 000

<b>Net recognised defined benefit plan assets including employer's national insurance contributions 31.12.</b>	<b>–</b>	<b>33 006 000</b>
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TNOK 13 845 is classified as a pension liability, and TNOK 46 851 is classified as pension fund. Space Norway Satcom AS expects to pay TNOK 1,244 to the Norwegian Public Service Pension Fund in 2025.

1) The business transfer relates to assets and liabilities related to Space Norway Satcom AS's pensioners that have been transferred to Telenor ASA as a result of the business transfer from Telenor Networks AS to Space Norway AS in 2024.



Note 15 Inventories

The comparative figures for inventories have been restated to correspond to NOK 745 million from assets under construction and NOK 105 million from long-term receivables. The amounts relate to the cost price of the

payload on ASBM corresponding to the allocated portion of the asset. The payload is sold and handed over to a third party in 2024.

Note 16 Share capital and shareholder information

The share capital of Space Norway AS as of 31.12.2024 consists of:

	Number	Nominal value	Book value
Ordinary shares	2 600 000	130	338 000 000
Total	2 600 000		338 000 000

Ownership structure

	Ordinary shares	Total	Ownership share	Voting share
Ministry of Trade, Industry and Fisheries	2 600 000	2 600 000	100 %	100 %
Total number of shares	2 600 000	2 600 000	100 %	100 %

Note 17 Equity

PARENT COMPANY

	Share capital	Premium	Adopted, not registered equity	Other equity	Total
Equity 01.01.24	99 300 000	869 918 284	2 360 000 000	-195 517 913	3 133 700 371
Change in equity for the year:					
Capital increase/decrease	238 700 000	2 121 300 000	-2 360 000 000	-	-
Profit for the year	-	-	-	667 916 538	667 916 538
Equity 31.12.24	338 000 000	2 991 218 284	-	472 398 625	3 801 616 909

GROUP

	Share capital	Premium	Adopted, not registered equity	Other equity	Total
Equity 01.01.24	99 300 000	869 918 284	2 360 000 000	669 362 819	3 998 581 103
Change in equity for the year:					
Capital increase/decrease	238 700 000	2 121 300 000	-2 360 000 000	-	-
Profit for the year	-	-	-	691 209 010	691 209 010
Pension estimate deviations				-4 347 183	-4 347 183
Translation differences*	-	-	-	4 327 396	4 327 396
Equity 31.12.24	338 000 000	2 991 218 284	-	1 360 552 042	4 689 770 326

\*Translation differences relate to accumulated equity effects from the conversion from simplified IFRS in Space Norway Satcom AS to NGAAP.

Note 18 Other long-term liabilities

Liabilities falling due in more than five years after the end of the financial year:	PARENT COMPANY		GROUP	
	2023	2024	2023	2024
Debt to credit institutions*	0	0	467 930 400	851 505 000
Other long-term liabilities	0	0	0	1 660 432
Total other long-term liabilities	0	0	467 930 400	853 165 432

\* In 2021, Space Norway HEOSAT AS entered into a loan agreement for a loan facility in the amount of USD 110,000,000. At year-end 2024, USD 75,000,000 of this credit had been utilised. The loan falls due in more than five years. The debt has been converted into Norwegian kroner at the exchange rate on the balance sheet date, which resulted in an unrealised foreign exchange loss of NOK 112,207,500. The current loan is a construction loan and will be converted to a long-term loan on 01.01.2025. The loan has terms related to debt servicing capacity, and the Group has not been in breach of the loan covenants in 2024. The loan is secured by an interest rate swap agreement.

## Note 19 Prepayment from customers

Advance payments for projects relate to the following ongoing projects as at 31.12.24

	PARENT COMPANY		GROUP	
	2023	2024	2023	2024
Fibre-optic cable	88 772 261	72 695 765	88 772 261	72 695 765
Earth Observation	310 600 000	427 697 424	310 600 000	427 697 424
ASBM	–	–	2 313 876 232	1 633 867 160
<b>Total other long-term liabilities</b>	<b>399 372 261</b>	<b>500 393 189</b>	<b>2 713 248 493</b>	<b>2 134 260 349</b>

**Prepayment, fibre-optic cable**

The long-term debt is to the Norwegian Space Agency in connection with the investment in a fibre-optic cable between Svalbard and the mainland. Together with the Norwegian Space Agency, the company has undertaken to supply satellite data to NOAA and NASA over a 25-year period. The receivables to NOAA and NASA as a result of this service were sold to the American financial service provider Hannon Armstrong. On this basis, Norsk Romsenter Eiendom AS granted a loan for investment in the fibre-optic connection. The loan from Hannon Armstrong has been repaid. The amount in this item now represents the parent company's and the Group's remaining obligations in relation to NOAA and NASA.

**Prepayment ASBM**

The long-term debt for ASBM at the end of 2024 consists of prepayments from customers for the provision of services to be utilised over the expected useful life of the satellite system.

**Prepayment Earth observation**

The long-term debt for Earth observation at the end of 2024 consists of prepayments from customers for the provision of services to be utilised from the time the satellite system becomes operational.





Space  
for More

Space Norway is an innovative company that develops and provides communication and surveillance services to governments and businesses in an increasingly interconnected digital world. Space Norway offers commercial and public solutions for broadcasting, satellite communication, and data services. The group owns and operates a fleet of satellites. Additionally, Space Norway owns and operates the Svalbard connection, a cable system that is vital for businesses and the population on Svalbard.

The group is owned by the Ministry of Trade, Industry and Fisheries and operates under the Security Act.

