


Presentation of first quarter 2022

13 May 2022





Highlights



 Operating loss (EBIT) limited to NOK 849 million
– omicron and macro headwinds – adjusting capacity to demand

 Traffic figures improving through Q1 and into April

 Protecting strong liquidity position
– cash & equiv. at NOK 7.5 billion

 Ramping up fleet for increasing demand
– 70 aircraft this summer, 85 for summer 2023



Number of passengers
this quarter

2,215,860

Load factor



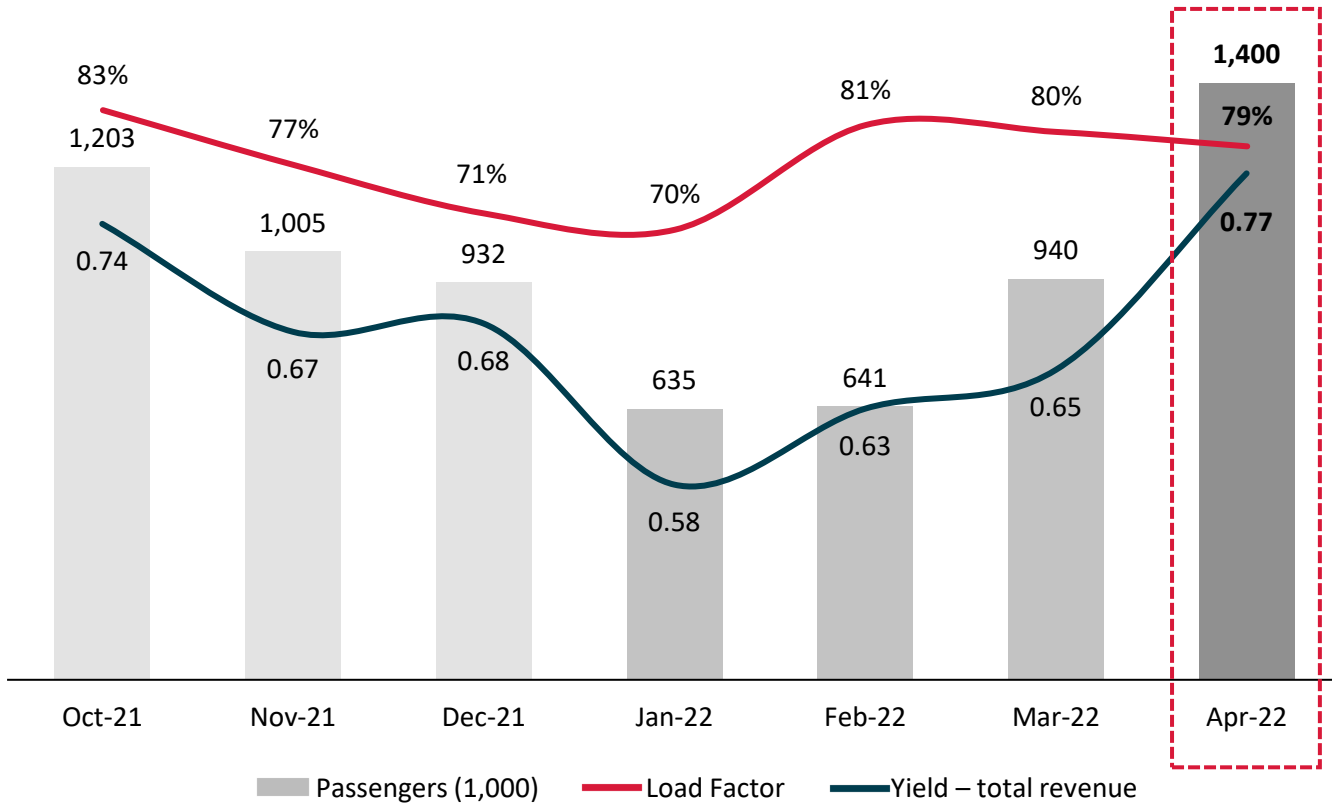
Total capacity (ASK)

Q4 2021		4,626m
Q1 2022		3,871m

Traffic figures developing positively



Traffic – PAX per month, load factor and yield



- **Summer program** started 27 March
- **Stable load factor** with increased capacity in April
– production up 51% MoM
- **Yields improving**
– April ticket yield up 21% MoM
- **Ramp-up** continuing in May and into summer season

Sales momentum increasing into summer



Booking momentum

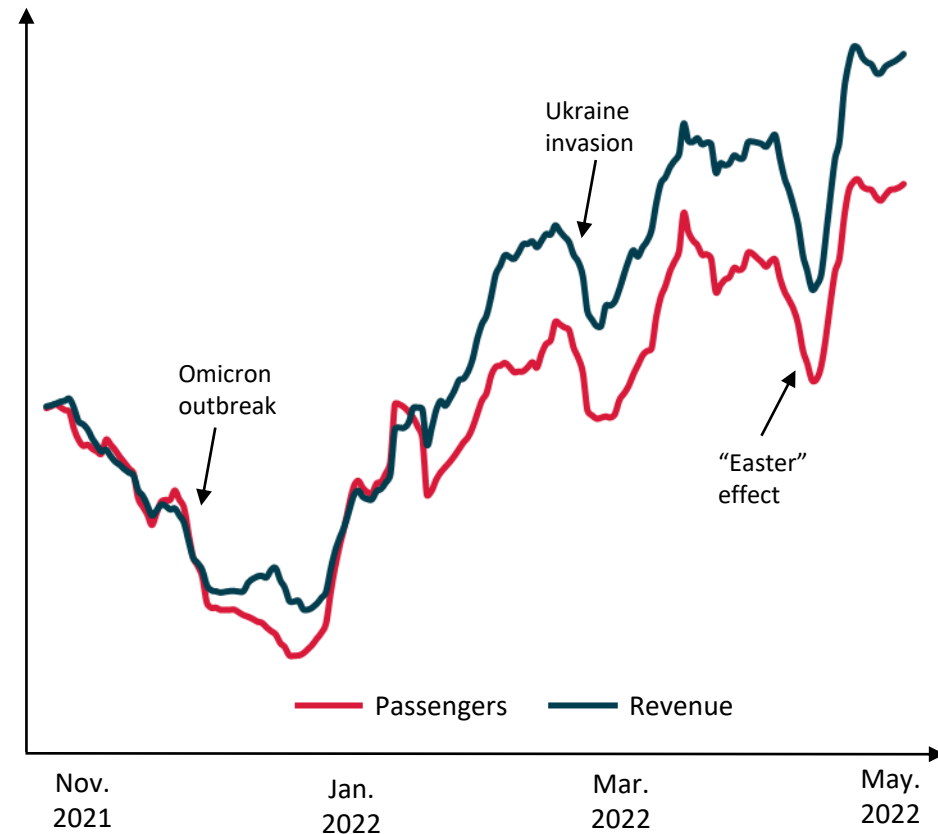
- Strong uptick in sales ahead of summer
- **Fares significantly up from 2019**
- Increased consumer confidence with longer booking curve
- **Strong pent-up demand** for leisure travel

Summer program

- **280 routes** on offer across attractive network
- Restrictions removed across all markets
- Preferred travel partner with **strong on-time record**



7-day rolling sales figures (abs) – All markets*



*Travel anytime, company data as of 7 May 2022

Corporate travelers choosing Norwegian



Corporate travel significantly above 2019
 – “unidentified” corporate travelers not included



Preferred travel partner
 – **regularity 99.4%** in quarter
 – strong on-time performance and few cancellations

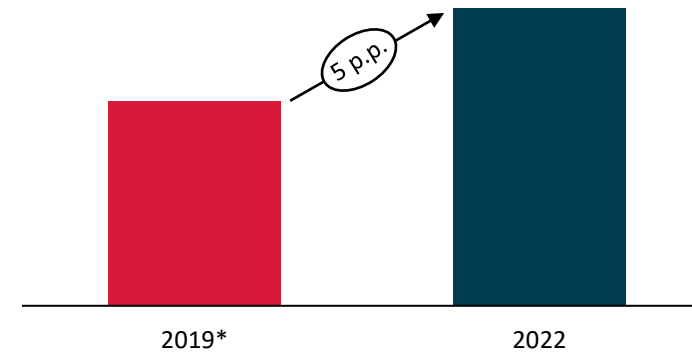


Higher earnings per pax
 – increased share of Flex tickets
 – Fast Track and Priority Boarding

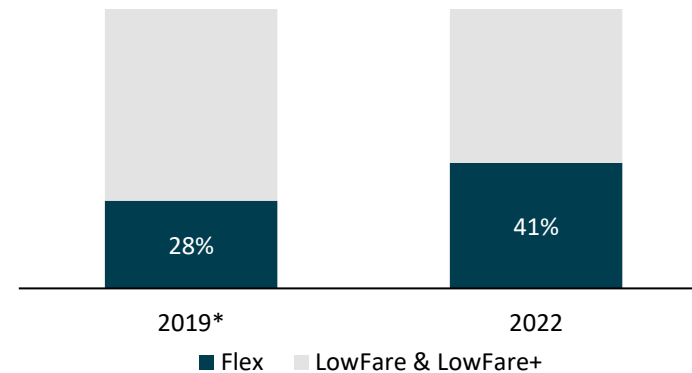


SAF product offering
 – collaboration with **Neste**
 – 80% lower life-cycle GHG emissions
 – emission reductions towards customers’ targets

Corporate share of ticket revenue (Jan.-Apr.)



Flex share of corporate ticket rev. (Jan.-Apr.)



*Adjusted for comparable route network to 2022

Financial results for Q1 2022

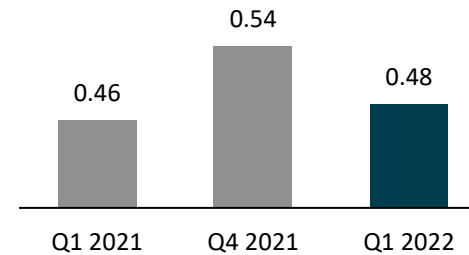
Quarterly financial highlights



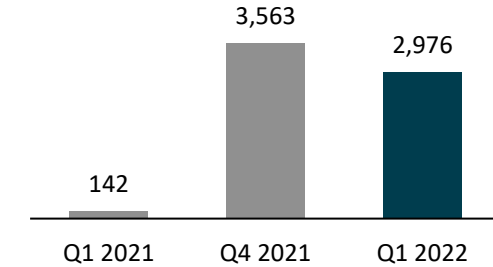
Revenues

- Traffic and fares increasing through quarter
- Ancillary NOK 155 per pax

Unit revenue - total



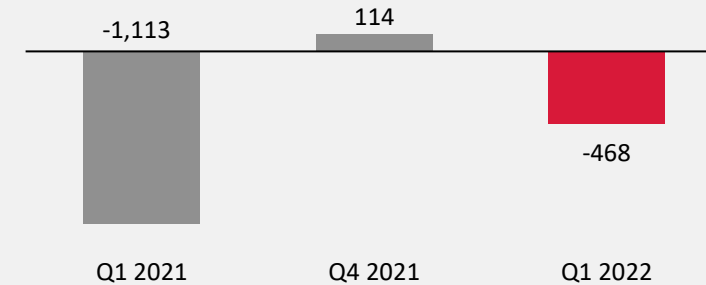
Passenger traffic (million RPK)



Profits

- Limiting losses in seasonally weak quarter – omicron and macro headwinds
- Lowering unit costs through scale

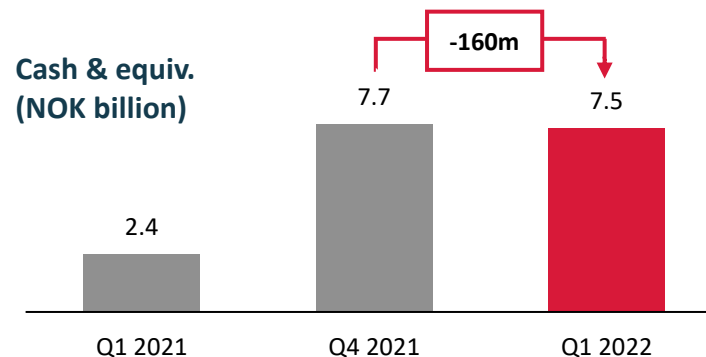
EBITDAR (NOK million)



Balance sheet

- Protecting strong liquidity position
- Cash burn limited to NOK 160 million

Cash & equiv. (NOK billion)



Q1 earnings – limiting losses in difficult quarter



<i>NOK million</i>	Q1 2022	Q4 2021
Passenger revenue	1,513	2,032
Ancillary passenger revenue	344	444
Other revenue	59	75
Total operating revenue	1,916	2,550
Personnel expenses	633	644
Aviation fuel	634	725
Airport and ATC charges	271	342
Handling charges	176	320
Technical maintenance expenses	273	277
Other operating expenses	382	329
EBITDAR excl other losses/(gains)	-452	-87
Other losses/(gains)	16	-201
EBITDAR	-468	114
Aircraft lease, depreciation and amortization	381	377
Operating profit (EBIT)	-849	-263
Net financial items	-183	380
Profit (loss) before tax (EBT)	-1,031	117

- **OPEX 10% lower from Q4 2021**
 - no furlough during omicron
 - NOK jet fuel price +35% QoQ
- **Lowering unit cost through scale**
 - CASK ex. fuel in quarter 0.55
 - CASK ex. fuel in April sub 0.45

Balance sheet – cash burn kept to minimum

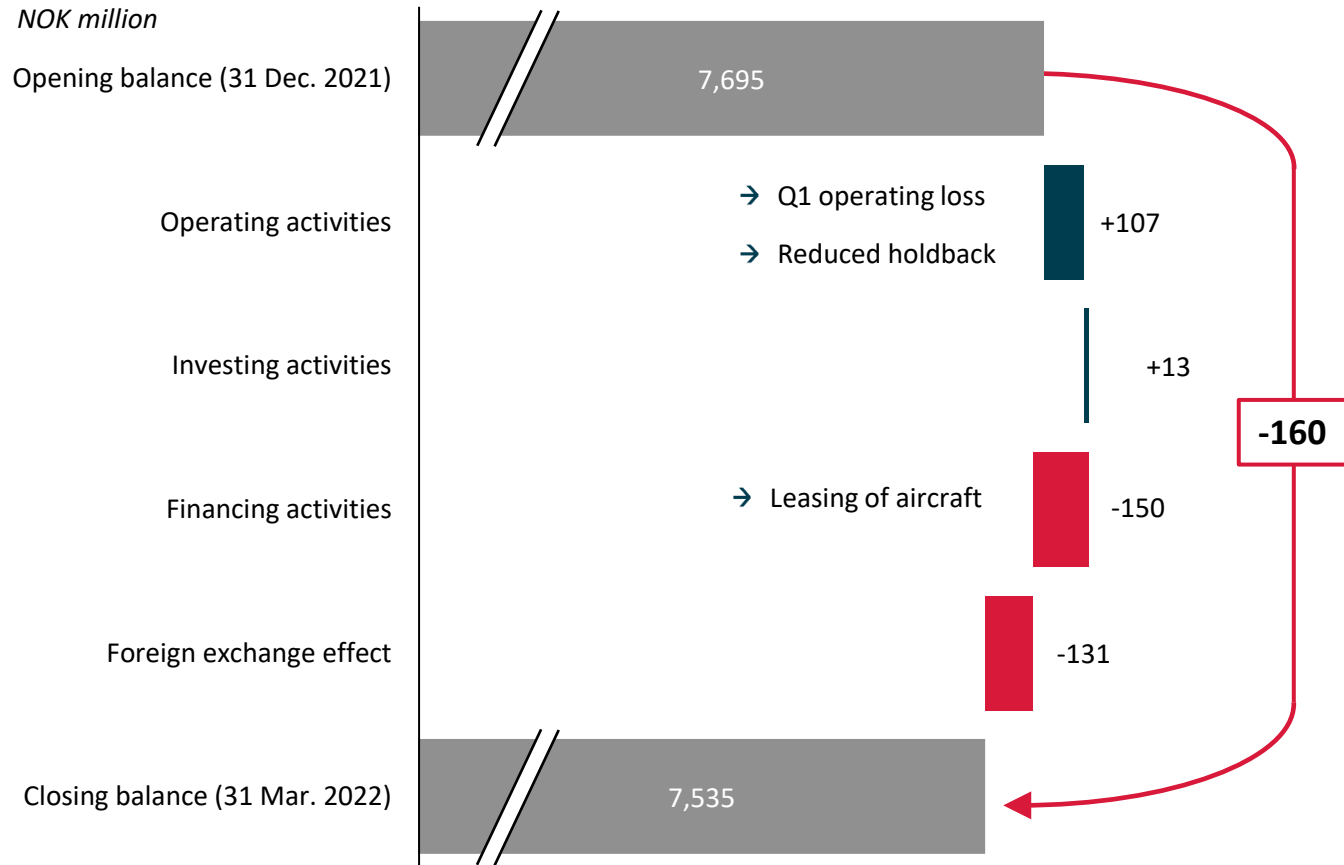


<i>NOK million</i>	31 Mar. 2022	31 Dec. 2021	
Intangible assets	2,069	2,071	
Tangible fixed assets	6,795	6,768	
Total non-current assets	9,075	8,961	
Receivables	3,418	2,153	→ Holdback (%) reduced to 73%
Cash and cash equivalents	7,535	7,695	→ Strong cash position
Total current assets	11,010	9,864	
Assets	20,085	18,825	
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Equity	2,265	3,270	
Non-current debt	8,513	8,541	
Other non-current liabilities	1,230	1,071	
Total non-current liabilities	9,743	9,613	
Air traffic settlement liabilities	3,613	1,324	→ Increased forward bookings
Current debt	1,193	836	
Other current liabilities	3,273	3,783	
Total current liabilities	8,078	5,943	
Liabilities	17,820	15,556	
Equity ratio (%)	11.3	17.4	

Net interest bearing debt			
<i>NOK million</i>	31 Mar. 2022	31 Dec. 2021	Chng. (QoQ)
Cash & equiv.	7,535	7,695	-160
Aircraft financing	6,284	6,016	+268
NAS 13	703	700	
Other IB debt	165	137	
Retained Claims Bonds	2,554	2,525	
NIBD	2,171	1,683	+488

→ **Planned NIBD increase** with aircraft sourcing – additional 6 aircraft accounted for via IFRS16 lease liabilities

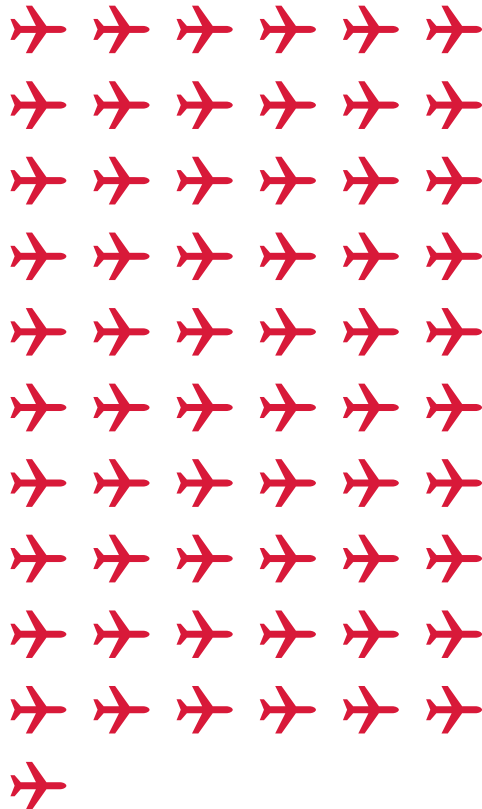
Cash flow – cash burn kept to minimum



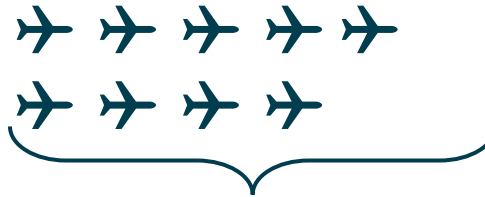
- **Positive CF from operating activities** in seasonally weakest quarter
- Increased air traffic liabilities improving liquidity outlook
- **Holdback down to 73%** – trending lower going forward

The way forward

Ramping up - 70 aircraft for peak summer



→ 61 aircraft operational fleet per end of April



→ 9 additional aircraft sourced for summer



→ Sourced 15 additional 737 MAX 8 for summer 2023 – fleet increasing to 85



- Solving “winter problem” with seasonal flexibility
- 19 aircraft with power-by-the hour (PBH) for winter 2022/23

- New **fuel-efficient aircraft** reduce emissions and saves cost
- Utilising **technology** to improve operational efficiency
- **45% reduction** in carbon emission per RPK by 2030



Summary



Starting to capitalise on strong pent-up demand

- Strong outlook for production, load and yields
- Fleet increasing to 70 aircraft – 85 for summer 2023
- Targeted marketing and sales efforts
- Market-leading reward program



Robust balance sheet and flexible cost structure

- Preserved liquidity through winter
- Securing seasonal flexibility - PBH agreements in place



Leveraging on scale to lower CASK

- 28,000m ASK target for 2022 (24,000m for Q2-Q4)
- Lowering unit cost with scale and seasonal flexibility
- Targeting sub 0.40 CASK ex. fuel for Q2-Q4



Fly Norwegian

Book tickets at [Norwegian.com](https://www.norwegian.com)

Appendix

20 largest shareholders as of 31 March 2022*

	Name	Country	Number of shares	Per cent
1	Geveran Trading Company, Ltd.	Cyprus	125,698,801	13.5 %
2	Sundt AS	Norway	105,003,198	11.3 %
3	Folketrygdfondet	Norway	61,302,613	6.6 %
4	Silver Point Capital, L.P.	United States	56,243,500	6.1 %
5	DNB Asset Management AS	Norway	45,281,217	4.9 %
6	Davy Stockbrokers	Ireland	31,847,207	3.4 %
7	Nordnet Bank AB.	Norway	29,930,539	3.2 %
8	Keskinäinen eläkevakuutusyhtiö Varma	Finland	27,500,000	3.0 %
9	Avanza Bank AB	Sweden	23,227,070	2.5 %
10	Handelsbanken Asset Management	Sweden	20,803,928	2.2 %
11	Contrarian Capital Management, LLC	United States	18,304,923	2.0 %
12	Centerbridge Partners, L.P.	United States	17,739,873	1.9 %
13	KLP Forsikring	Norway	11,353,312	1.2 %
14	Nordea Funds Oy	Finland	10,875,001	1.2 %
15	Brumm AS	Norway	10,000,942	1.1 %
16	Swedbank AB	Sweden	8,741,745	0.9 %
17	BlackRock Institutional Trust Company, N.A.	United States	8,312,916	0.9 %
18	Arctic Fund Management AS	Norway	6,832,717	0.7 %
19	HSBC Trinkaus & Burkhardt AG	Germany	5,953,934	0.6 %
20	Citibank N.A. Private Bank	United States	5,598,455	0.6 %
	Top 20 shareholders		630,551,891	67.9 %
	Other shareholders		298,605,582	32.1 %
	Total number of shares		929,157,473	100.0 %

**) The data is obtained through third-party analysis of beneficial ownership and fund manager information provided in replies to ownership notices issued to custodians. Reasonable efforts have been made to verify the data, however Norwegian Air Shuttle ASA cannot guarantee the accuracy of the analysis.*