



Presentation of first quarter 2023

12 May 2023


Highlights

 Quarterly loss (EBT) limited to NOK 992 million


- utilising fleet flexibility to reduce quarterly loss in low-season
- capacity reduced 20-30%
- liquidity position NOK 8.6 billion – strong quarterly cash flow

 Ramping up for strong summer

- booking momentum pointing to record summer season
- securing aircraft despite Boeing delays – fleet increasing to 81
- insourcing OSL ground handling services

 Attractive customer offering

- close to 300 routes across attractive network
- Norwegian Reward relaunch with new benefits
- serving customers solely with Norwegian operated aircraft


 Lead role for sustainable aviation

- landmark investment and strategic partnership with Norsk e-Fuel
- fleet renewal – phasing in latest technology fuel-efficient aircraft
- committed to 45% reduction in CO₂ emissions by 2030



 Number of passengers this quarter
3,808,855

Load factor **80.9%**



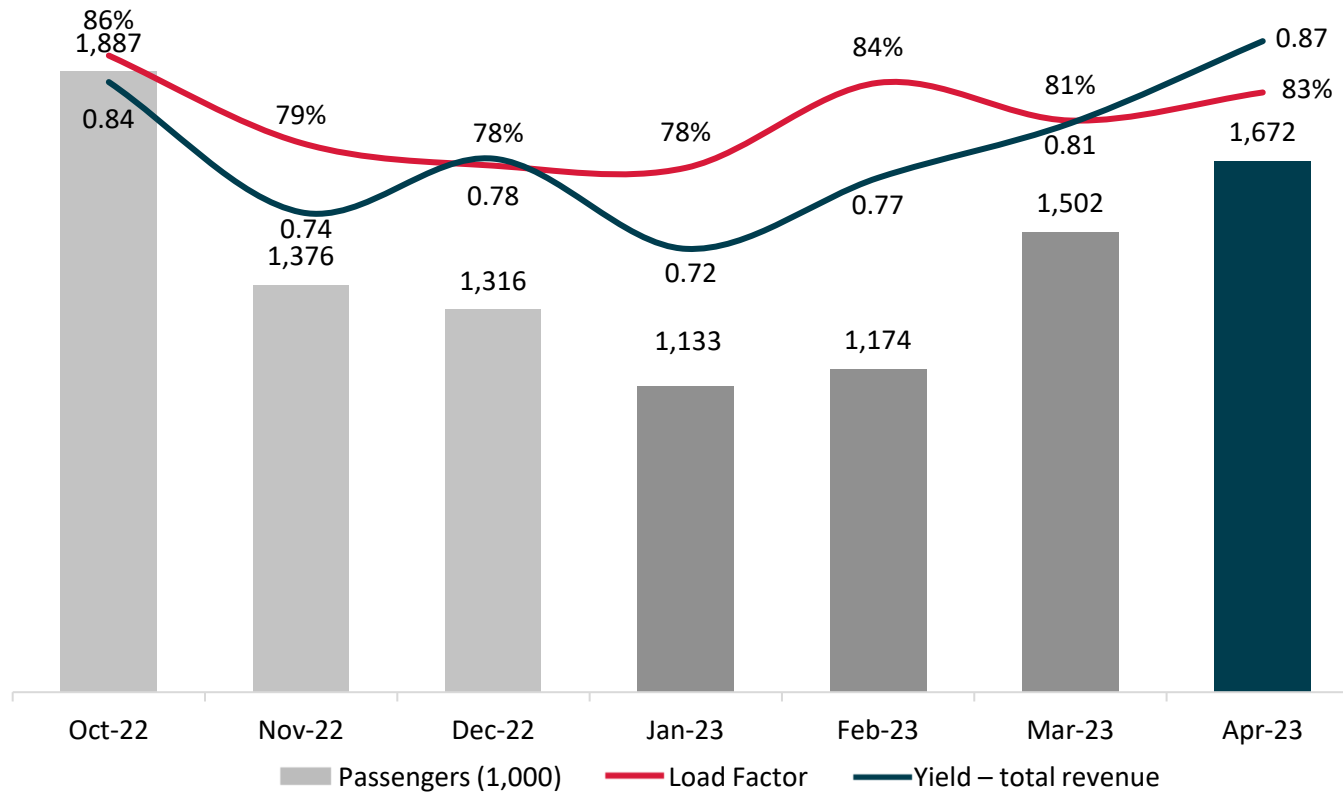
 **-13% (QoQ)**

Capacity (ASK)

Q4 2022		6,946m
Q1 2023		6,042m

Ramp-up following reduced winter capacity

Traffic – PAX per month, load factor and yield



- **Fleet flexibility** to minimise winter cash-burn
 - PBH in place through Q1
 - capacity reduced 20-30%
- **Ramp-up** towards summer season
 - summer program started 26 March
 - close to 300 summer routes on sale
- **Stable strong loads with increasing yield**

Strong booking momentum



Strong momentum through spring

- **Diversified bookings** across travels months for domestic, beach and city destinations
- **Booking momentum** robust also after sales campaigns
- Booked fares significantly above previous years
– **avg. June to Aug. fares +25%** vs. same time last year



Visibility normalising

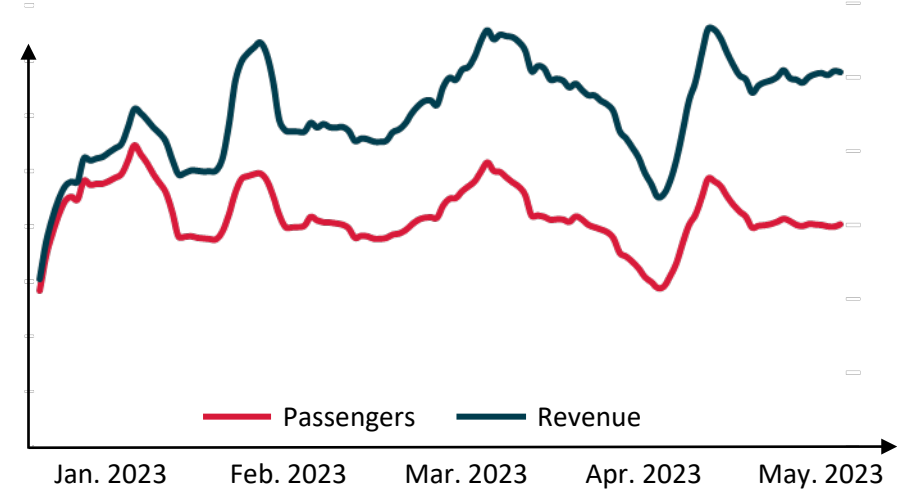
- Peak summer booked load significantly above last year
- Bookings below 2019, but revenue above with **disciplined pricing**



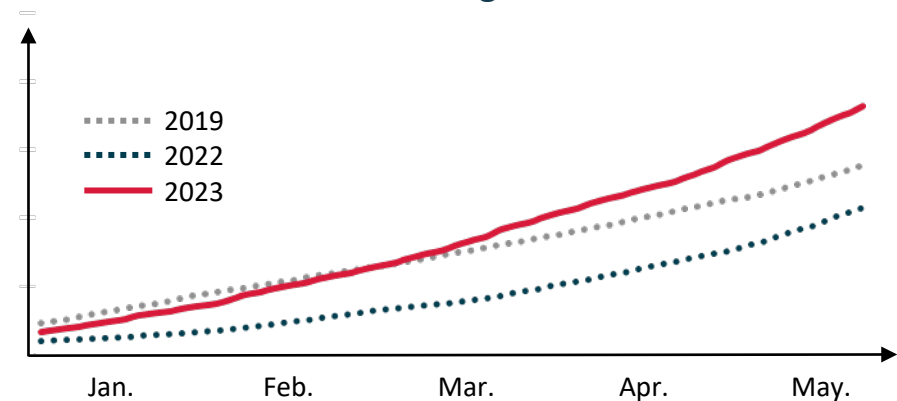
Preferred travel partner

- **Brand** – most **loved** in Norway and second in rest of Nordics¹⁾
- Widerøe co-operation – **seamless travel across whole network**
- Market-leading operations – **most punctual Nordic airline**
- **Numerous awards** for service, product and innovations

7-day rolling sales figures (abs) – All markets²⁾



Booked Revenue – June to Aug. travel³⁾



1) Norwegian Brand Tracker Survey managed by Kantar for Q1 2023

2) Travel anytime, anywhere as of 8 May 2023

3) 2019 adjusted for comparable route network

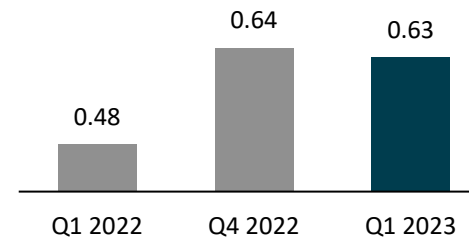
Financial results for Q1 2023

Quarterly financial highlights

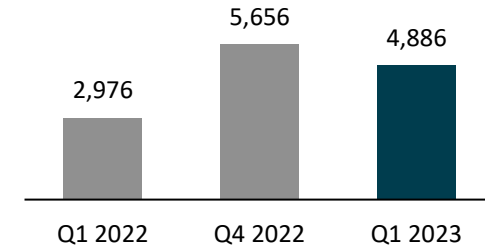
Revenues

- **Unit revenue** robust in seasonally weakest quarter – up 31% from last year
- Ancillary NOK 158 per pax

Unit revenue - total



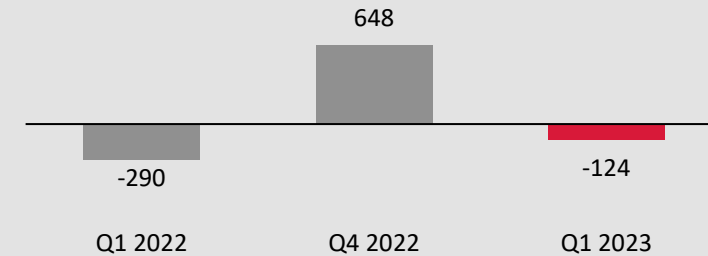
Passenger traffic (million RPK)



Profits

- **Earnings** – EBT negative NOK 992 million
- EBITDAR impacted by accounting policy change
- **CASK ex. fuel** NOK 0.55 in quarter – higher with reduced capacity and weak NOK

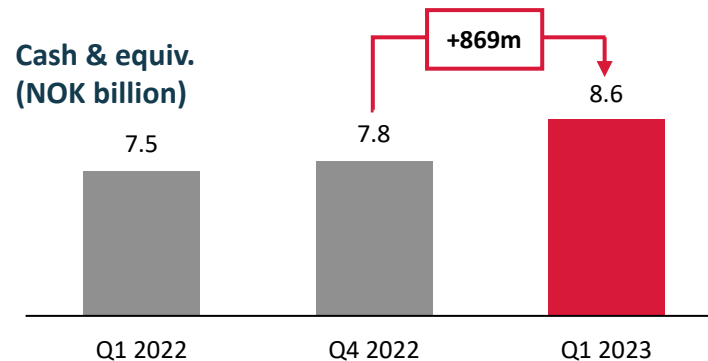
EBITDAR (NOK million) excl. other losses/(gains)



Balance sheet

- Improving already **strong liquidity position**
- Cash flow NOK 869 million in the quarter
- Equity ratio 11.2%

Cash & equiv. (NOK billion)



Q1 earnings – minimising loss during winter

<i>NOK million</i>	Q1 2023	Q1 2022	Chng. (YoY)	
Passenger revenue	3,191	1,513		
Ancillary passenger revenue	604	344		
Other revenue	181	59		
Total operating revenue	3,975	1,916	+107%	→ Unit revenue up 31%
Personnel expenses	920	633		
Aviation fuel	1,539	634	+143%	→ Fuel elevated in Q1 and strong USD
Airport and ATC charges	489	271		
Handling charges	408	176		
Technical maintenance expenses	158	110	+44%	→ Reclassification of heavy maintenance
Other operating expenses	586	382		
EBITDAR excl other losses/(gains)	-124	-290		
Other losses/(gains)	31	16		
EBITDAR	-155	-305		
Aircraft lease, depreciation and amortization	762	543		→ Reclassification of heavy maintenance
Operating profit (EBIT)	-916	-849		
Net financial items	-75	-183		
Profit before tax (EBT)	-992	-1,031	4%	→ Minimising losses by matching capacity to demand

Maintenance expenses – accounting policy change

Heavy Maintenance for Leased Aircraft

- **Aligning treatment of heavy maintenance between leased and owned aircraft**
- Obligations for heavy maintenance events includes major airframe, engine, APU and landing gear overhaul
- Previously booked under “Technical maintenance expenses” – reclassified to “Aircraft lease, depreciation and amortization”
- Additional information in note 11 in quarterly report

Adjustment of Comparative Financial Information

<i>Unaudited (in NOK million)</i>	Q1 2023	Full year 2022
Technical maintenance expenses, previous policy	469	1,666
Technical maintenance expenses, updated policy	158	556
Change, technical maintenance expenses	-311	-1,109
EBITDAR, previous policy	-466	1,254
EBITDAR, updated policy	-155	2,363
Change, EBITDAR	311	1,109
Aircraft lease, depreciation and amortization, previous policy	451	1,851
Aircraft lease, depreciation and amortization, updated policy	762	2,961
Change, aircraft lease, depreciation and amortization	311	1,109
Operating profit (EBIT), previous policy	-916	1,502
Operating profit (EBIT), updated policy	-916	1,502
Change, operating profit (EBIT)	0	0

Protecting robust balance sheet in winter

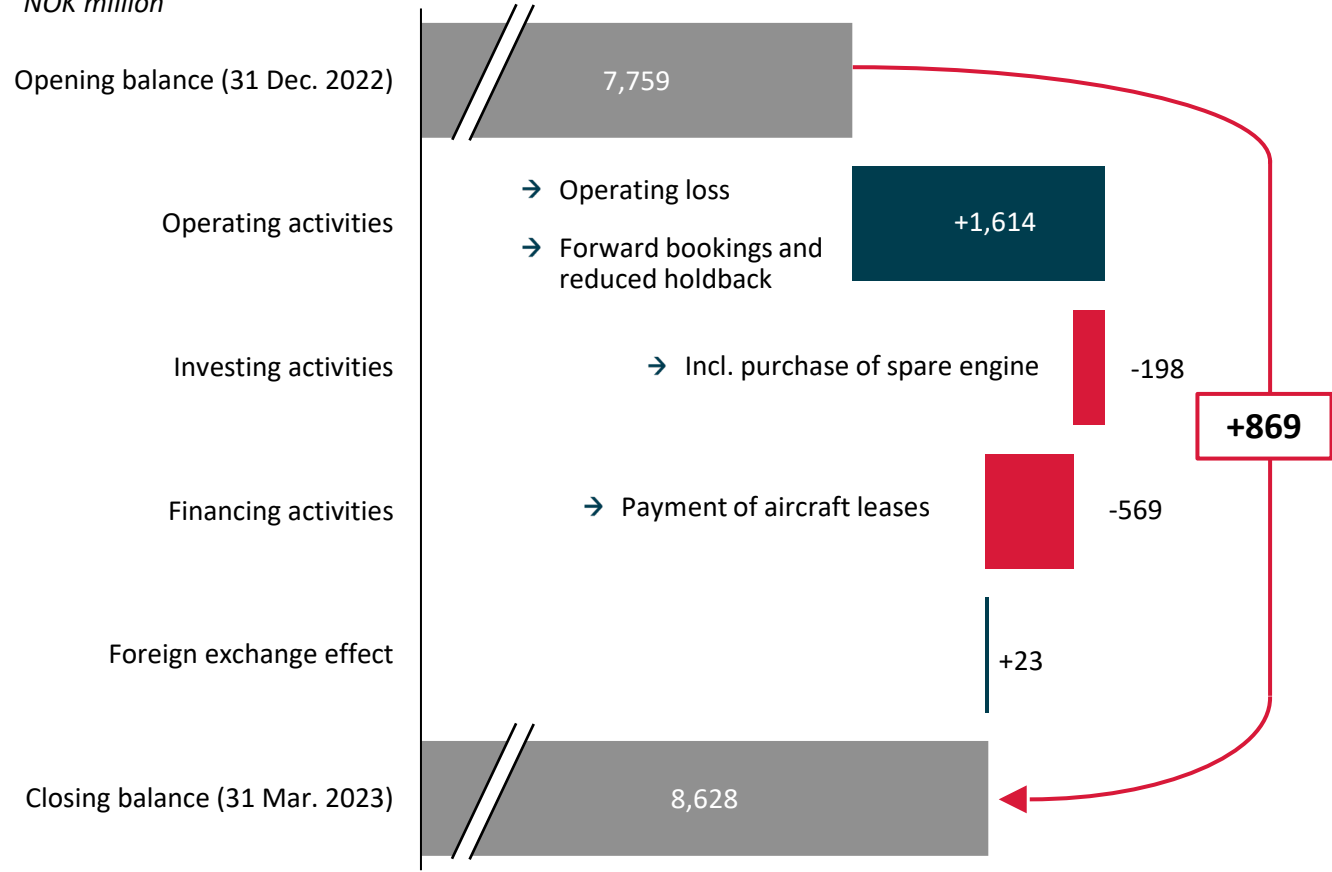
<i>NOK million</i>	31 Mar. 2023	31 Dec. 2022	Chng. (QoQ)	
Intangible assets	2,097	2,090		
Tangible assets	13,207	10,078		
Total non-current assets	15,818	12,625	+25%	→ Additional leased aircraft
Receivables	3,836	2,185		→ Holdback down to 32%
Cash and cash equivalents	8,628	7,759	+11%	
Total current assets	12,572	10,045		
Assets	28,389	22,670		
<hr style="border-top: 1px dashed red;"/>				
Equity	3,168	4,203		
Non-current debt	10,974	8,696		
Other non-current liabilities	2,411	2,146		
Total non-current liabilities	13,385	10,842		
Air traffic settlement liabilities	6,160	2,549	+142%	→ Increased bookings
Current debt	1,735	1,389		
Other current liabilities	3,942	3,686		
Total current liabilities	11,837	7,624		
Liabilities	25,222	18,466		
Equity and liabilities	28,389	22,670	+25%	
Equity ratio (%)	11.2	18.5	-7 p.p.	→ Quarterly loss and increased fleet

Net interest bearing debt			
<i>NOK million</i>	31 Mar. 2023	31 Dec. 2022	Chng. (QoQ)
Cash & equiv.	8,628	7,759	+869
Aircraft financing	9,562	6,640	+2,922
NAS 13	570	569	
Other IB debt	101	137	
Retained Claims Bonds	2,437	2,739	-302
NIBD	4,080	2,326	+1,754

- **NIBD increase** in quarter with addition of latest technology aircraft with longer lease duration
- 79 aircraft at quarter-end, up from 70 last quarter
- NOK 485m bond repurchase in Feb. at 72.50% – optimising capital structure at attractive price

Cash flow – strong cash position

NOK million



- **Improving strong liquidity position** – ETS fee payment and bond repurchase totalling NOK 750m in Q1
- **Holdback at 32%** – down from 39% at year-end 2022
- **Limited aircraft prepayments** to Boeing in 2023 and 2024
- **Secured financing** for up to 10 ordered aircraft with USD 500m facility covering 2025 deliveries

The way forward

Taking lead role for sustainable aviation



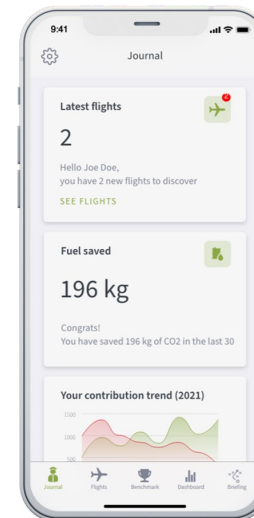
Partners up with Norsk e-Fuel

- **Landmark partnership** to build world's first full scale e-fuel plant in Mosjøen, Norway
- **Over NOK 50 million investment** for minority equity stake
- Sustainable aviation fuels (SAF) key to reach 45% emissions target
- **Covering 20% of SAF need** until 2030



Strong ESG commitment

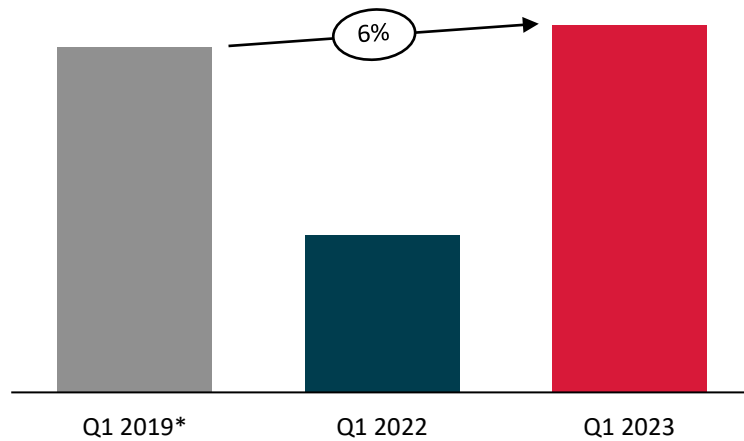
- Committed to **reducing carbon efficiency by 45%** by 2030
- **Fleet renewal** – phasing in latest technology modern fuel-efficient aircraft
- **Reducing in-flight waste** through recycling, pre-order meals and environmentally friendly packaging
- Pilots utilising **latest mobile technology** to reduce fuel burn – est. reduction of 17,000 tonnes in 2022 via SkyBreathe
- **UNICEF long-standing partnership** incl. “Fill a Plane” initiative
- Transparent reporting on ESG initiatives – additional information in recently published annual report



Attracting business travellers with robust operations

Capturing Corporate Market Share

Corporate market revenue



- **From corporates we speak to:**
 - 25% or higher reduction in business travel post 2019
 - 50% or higher share of travel with Norwegian
- Corp. revenue exceeding Q1 2019 despite capacity reduction
- Close to zero cancellations and strong on-time performance
 - Q1 regularity 99.4% in Q1
- Onboarding new large corporates and SMEs
 - close to 900 new corporates signed up in Q1

*Adjusted to comparable route network to 2023

Relaunching Norwegian Reward

From first flight



Earn CashPoints

8+ flights



CashPoint Boost!

16+ flights



Choose extra benefit

– incl. fast track or cabin bag!

24+ flights



One more benefit!

32+ flights



Norwegian Reward Priority!

– unlock all Reward benefits

- **Simplifying Norwegian Reward**
 - freedom to chose new benefits
 - new benefit with free carry-on
- Introducing **Norwegian Reward Priority**
 - exclusive frequent flyer benefits
 - attractive for business travellers
 - strong member growth since launch

- **Freddie Awards** – loyalty programme of the year

Summary



Record summer ahead

- Attractive route network with close to 300 routes
- Strong bookings at improving fare level
- Secured fleet additions in spite of delivery delays
 - fleet increasing to 81 aircraft
 - serving passengers solely with Norwegian operated flights



Strong brand loyalty and robust operations

- Leading operations vs. peers – most punctual Nordic airline
- Relaunching 'Norwegian Reward' with new benefits
- Widerøe co-operation with seamless travel across whole network



Well positioned for 2023 and beyond

- Costs impacted by currency and cost inflation, fuel price trending lower
- Targeting for 2023 (vs. last year):
 - capacity (ASK) 32,500 million kilometres – up 19%
 - improved unit revenue
 - up to 5% reduction in CASK ex. fuel
- Hedged 40% of fuel consumption for current year
- Fleet renewal and lead position for sustainable aviation fuels (SAF)



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Appendix

20 largest shareholders as of 31 March 2023*

	Name	Country	Number of shares	Per cent
1	Geveran Trading Company, Ltd.	Cyprus	114,800,512	12.3 %
2	Sundt AS	Norway	96,843,552	10.4 %
3	Folketrygdfondet	Norway	40,573,605	4.4 %
4	Silver Point Capital, L.P.	United States	39,745,000	4.3 %
5	Ballyfin Aviation Limited	Ireland	31,472,703	3.4 %
6	Nordnet Bank AB.	Norway	30,842,474	3.3 %
7	Handelsbanken Kapitalförvaltning AB	Sweden	23,959,919	2.6 %
8	Avanza Bank AB	Sweden	23,613,090	2.5 %
9	JPMorgan Chase Bank GTS	United Kingdom	17,696,935	1.9 %
10	Keskinäinen eläkevakuutusyhtiö Varma	Finland	15,500,000	1.7 %
11	Contrarian Capital Management, LLC	United States	14,408,189	1.5 %
12	DNB Asset Management AS	Norway	13,860,006	1.5 %
13	Goldman Sachs Asset Management, L.P.	United States	12,454,618	1.3 %
14	BlackRock Institutional Trust Company, N.A.	United States	10,739,325	1.2 %
15	BofA Global Research (UK)	United Kingdom	9,432,026	1.0 %
16	Barclays Capital	United Kingdom	9,084,167	1.0 %
17	Svelland Capital (UK) Ltd	United Kingdom	9,067,055	1.0 %
18	Swedbank AB	Sweden	8,414,142	0.9 %
19	Brumm AS	Norway	8,285,480	0.9 %
20	SEB Enskilda Equities	Sweden	7,442,903	0.8 %
	Top 20 shareholders		538,235,701	57.8 %
	Other shareholders		393,351,482	42.2 %
	Total number of shares		931,587,183	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.*

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