

norwegian 

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RPR

Presentation of third quarter 2021

28 October 2021



Highlights

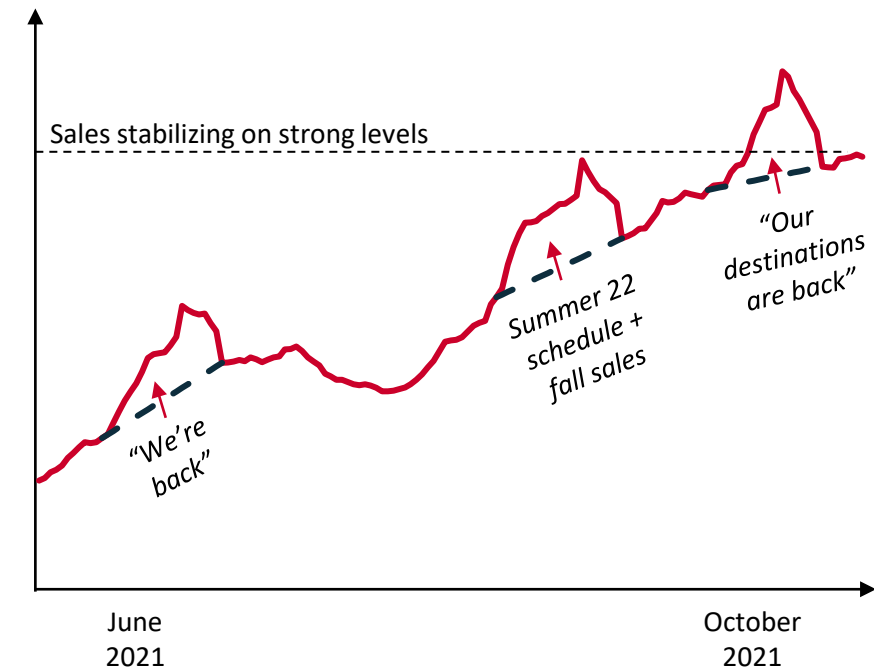
- 1 A strong uptick in demand and improving load factor
- 2 Q3 2021 EBT of NOK 169 million
- 3 A solid financial position with NOK 7.6 bn in cash & equivalents
- 4 Equity ratio increased to 14 percent
- 5 Simplifying operations and legal structure
- 6 Signed LOI for up to 13 aircraft with PBH for winter 2022/23

Strong sales momentum into Q4 and encouraging forward bookings

- Close to 2.5 million passengers travelled with Norwegian in Q3
- Production in Q3 increased by over six times vs. Q2 (measured in ASKs) with a higher load factor of 73% (57% in Q2)
- Encouraging forward sales momentum in all markets since summer
- Demand elasticity improving throughout period (before summer almost nil)

7-day rolling sales figures – All markets

No. of booked passengers (abs.); Travel anytime

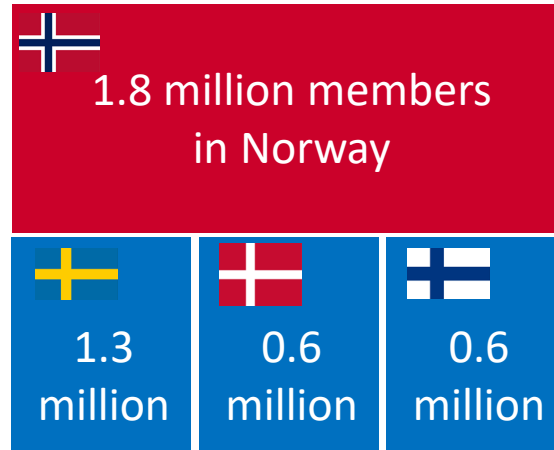


Company data as of 22 October 2021

Norwegian Reward is an attractive program driving demand

Cashpoints can again be used to book tickets without restrictions

- Transparent value, 1 CashPoint = 1 NOK
- CashPoints can be spent on all flights as partial or full payment
- Customers earn 2% and 10% Cashpoints on net fare
- Members get extra travel benefits for every 6th flight



Norwegian Reward is a competitive advantage

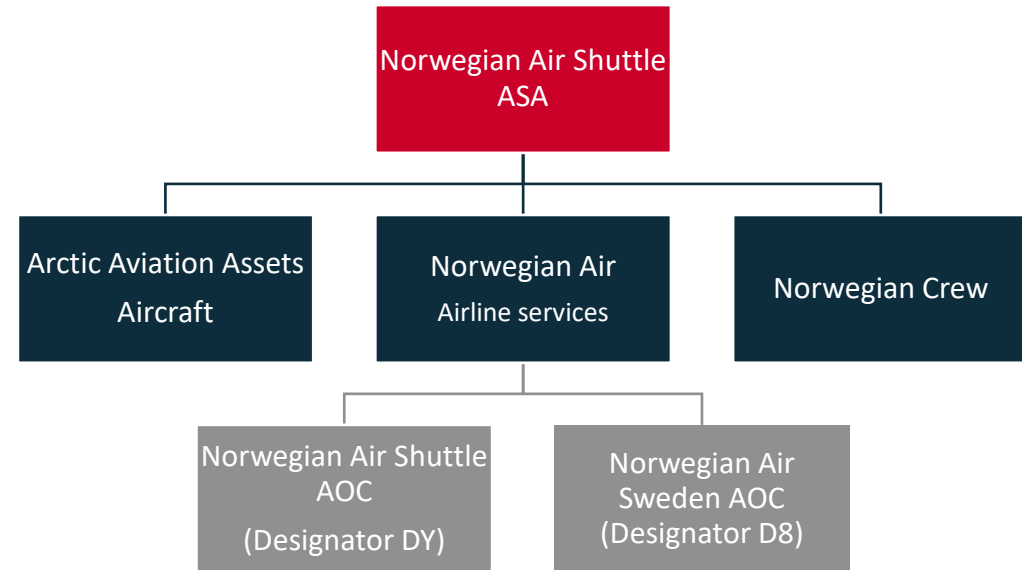
+10% higher purchase value from Reward members

+35% of bookings from Reward members

Reward program an important reason to choose Norwegian

Simplifying operations and legal structure

- Continued to reduce complexity and cost base
- Number of operational AOC's reduced from six to two
- In process of reducing number of entities by approx. 50
- Insourced resources and personnel



Norwegian Air Norway is kept due to slot rights at LGW

Financial results for Q3 2021

Q3 EBT of NOK 169 million

<i>NOK million</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Passenger revenue	1,517	905	1,880	6,045
Ancillary passenger revenue	388	204	498	1,449
Other revenue	22	179	140	932
Total operating revenue	1,927	1,288	2,518	8,426
Personnel expenses	522	374	1,441	2,460
Aviation fuel	546	162	689	2,012
Airport and ATC charges	289	108	478	735
Handling charges	245	327	437	1,338
Technical maintenance expenses	189	498	579	1,162
Other operating expenses	442	220	1,062	1,587
EBITDAR excl other losses/(gains)	-305	-401	-2,167	-868
Other losses/(gains)	-326	862	-536	2,008
EBITDAR	21	-1,263	-1,630	-2,876
Aircraft lease, depreciation and amortization	317	1,549	893	5,012
Impairment assets held for sale	-	-	-	-
Operating profit (EBIT)	-295	-2,813	-2,523	-7,888
Net financial items	464	1,832	4,282	2,123
Profit (loss) from associated companies	-	-	-	-8
Profit (loss) before tax (EBT)	169	-980	1,759	-5,772
Income tax expense (income)	-	-1	-	640
Net profit (loss)	169	-980	1,759	-6,412

A strong balance sheet – debt conversion completed in Q3

<i>NOK million</i>	30 SEP 2021	30 SEP 2020
Intangible assets	2,054	2,203
Tangible fixed assets	5,827	65,009
Fixed asset investments	92	1,080
Total non-current assets	7,973	68,291
Assets included in disposal group	0	262
Inventory	88	131
Receivables	2,925	5,865
Cash and cash equivalents	7,635	3,402
Total current assets	10,648	9,660
ASSETS	18,621	77,951
Equity	2,526	11,110
Non-current debt	7,692	46,242
Other non-current liabilities	1,365	4,514
Total non-current liabilities	9,058	50,756
Air traffic settlement liabilities	1,557	826
Current debt	585	5,683
Liabilities included in disposal group	0	-
Other current liabilities	4,896	9,576
Total current liabilities	7,038	16,085
Liabilities	16,095	66,841
EQUITY AND LIABILITIES	18,621	77,951

	30 SEP 2021
Cash	7,635
Aircraft financing	4,974
NAS13	700
Other IB debt	136
Zero coupon retained claim bond	2,467
NIBD	642

Cash flow – continued cost control and low cash-burn

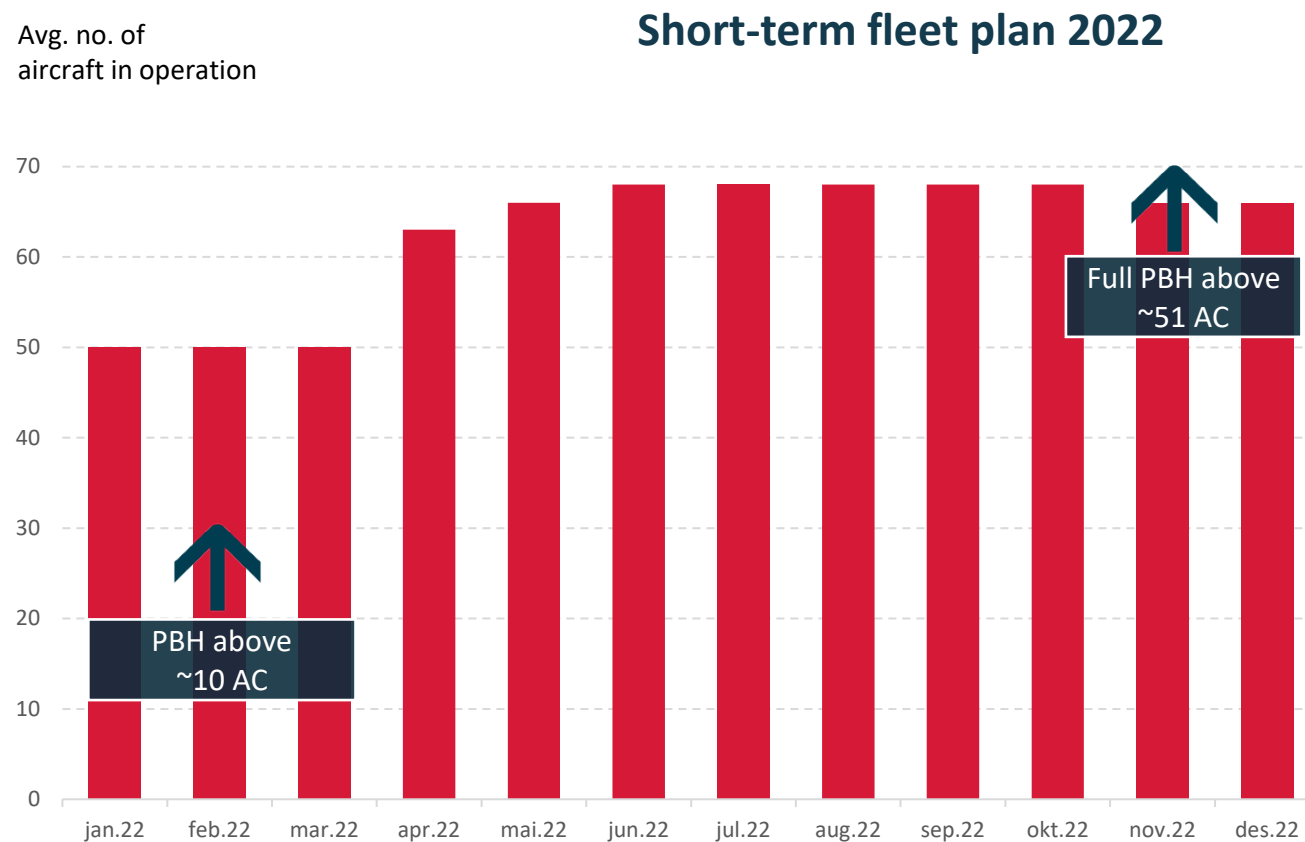
<i>NOK million</i>	Q3 2021	Q3 2020
Net cash flows from operating activities	443	-1,291
Purchases, proceeds and prepayment of tangible assets	-7	-14
Other investing activities	-2	-64
Net cash flows from investing activities	-9	-78
Principal repayments	-126	-158
Financing costs paid	-7	-2
Paid dividend to creditors	-129	-
Net cash flows from financing activities	-261	-160
Foreign exchange effect on cash	-12	-43
Net change in cash and cash equivalents	160	-1,573
Cash and cash equivalents at beginning of period	7,475	4,975
Cash and cash equivalents at end of period	7,635	3,402

The way forward

Ramping up for 2022

- Currently 51 aircraft in operation with PBH through winter 2021 above a minimum operation equivalent to 10 aircraft
- The PBH-arrangement through the winter is based on airborne hours meaning no additional cost for low utilization or parked aircraft
- Signed LOI* for lease of up to 13 Boeing 737-800 NG aircraft at favorable terms with PBH for the winter seasons 2021/22 and 2022/23
- In negotiations for additional aircraft to be added to the fleet by summer 2022 subject to favorable terms

** subject to approvals and documentation. Norwegian has the right, under some of the leases, to substitute the subject 737-800 NG aircraft for new technology narrow-body aircraft from either Boeing or Airbus.*



Summary

- Norwegian has a strong balance with NOK 7.6 bn in cash & equivalents and NOK 0.6 bn in net debt
 - Low operational cash-burn in the traditionally loss-making winter season
 - Well-positioned for the winter season with continued constructive dialogue with unions and flexible cost structure with power-by-the-hour arrangements on part of the aircraft fleet
- Signs of increased demand for air travel
 - Booking curve stretching out
 - Load factor up to ~80 percent in October
 - Ticket prices still too low but indications of differentiated high-demand/seasonality price insensitivity
 - Fully reopening the Norwegian Reward program
- Targeting a production of 29,000 million ASK for 2022



Fly Norwegian

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

Appendix

Overview of debt facilities and terms

Instrument	New Capital Perpetual Bonds	Zero Coupon Retained Claims Bonds*	NAS13 Bonds
ISIN:	Ordinary: NO0010996440 Early conversion: NO0010996432	NO0010996457	NO0010996390
Status:	Subordinated	Senior unsecured	Secured
Outstanding amount:	Ordinary: NOK 1,738,293,310 Early conversion: NOK 79,610,611	NOK 3,758,932,275	NOK 700,000,000
Maturity:	Perpetual	50% 30 September 2025 50% 30 September 2026	26 May 2026 Amortization
Amortisation:	Bullet at maturity	See Maturity	NOK 125m p.a. until May 2025, NOK 200m bullet at Maturity
Convertible:	Ordinary: From 26 May 2023 Early conversion: Immediately Conversion price: NOK 9.39 / share	No	No
Interest:	PIK toggle Year 1: 6mN+250 bps Year 2-3: 6mN+350 bps Year 4-5: 6mN+500 bps Year 6-7: 6mN+700 bps Year 8+: 6mN+950 bps	No interest	6mN + 200 bps from 1 June 2023

*) Book value of RCB as of 30 September was NOK 2,467 million

20 largest shareholders as of 30 September 2021

	Name	Country	Number of shares	Per cent
1	Geveran Trading Company, Ltd.	Cyprus	134,123,801	14.5 %
2	Sundt AS	Norway	124,003,198	13.4 %
3	DNB Asset Management AS	Norway	66,776,607	7.2 %
4	Folketrygdfondet	Norway	49,179,684	5.3 %
5	Davy Stockbrokers	Ireland	31,862,205	3.4 %
6	Handelsbanken Asset Management	Sweden	29,145,750	3.1 %
7	Nordnet Bank AB.	Norway	27,859,387	3.0 %
8	Keskinäinen eläkevakuutusyhtiö Varma	Finland	27,500,000	3.0 %
9	Ludvig Lorentzen AS	Norway	26,815,217	2.9 %
10	Centerbridge Partners, L.P.	United States	24,059,868	2.6 %
11	Avanza Bank AB	Sweden	23,097,067	2.5 %
12	Trinity Investments Designated Activity co	Ireland	20,896,113	2.3 %
13	Nordea Funds Oy	Finland	11,889,661	1.3 %
14	Citigroup Global Markets Inc	United States	10,272,054	1.1 %
15	Brumm AS	Norway	10,000,942	1.1 %
16	Swedbank AB	Sweden	9,885,219	1.1 %
17	KLP Forsikring	Norway	8,196,627	0.9 %
18	Astaris Capital Management LLP	United Kingdom	8,057,188	0.9 %
19	Contrarian Capital Management, LLC	United States	7,787,812	0.8 %
20	Arctic Fund Management AS	Norway	7,436,540	0.8 %
	Top 20 shareholders		658,844,940	71.0 %
	Other shareholders		268,490,632	29.0 %
	Total number of shares		927,335,572	100.0 %