



4,578,894 passengers



Load Factor

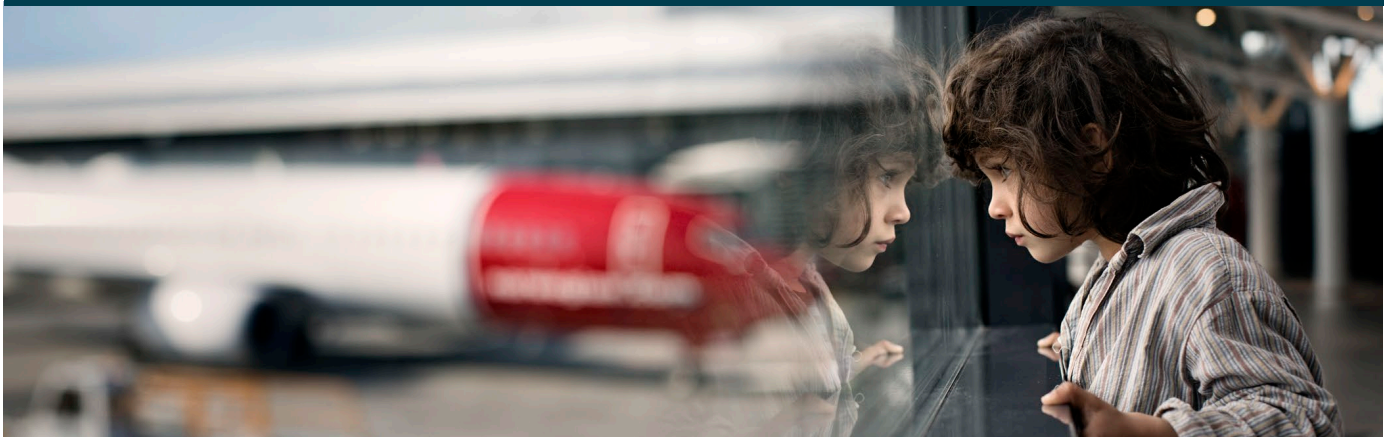


Punctuality

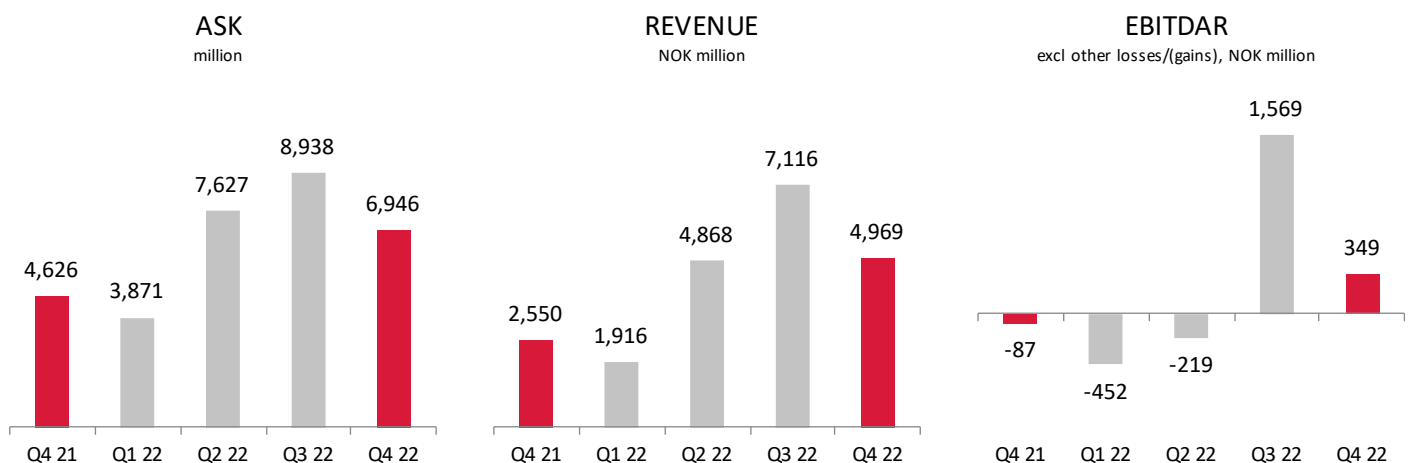
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Norwegian Air Shuttle ASA

Fourth quarter 2022 financial report



- Quarterly EBIT negative NOK 39 million – NOK 1,502 million for full-year 2022
- Conserving strong cash position – NOK 7.8 billion in cash & cash equivalents
- LOI signed for six additional 737 MAX 8 aircraft – summer fleet increasing to 81 aircraft
- Named most punctual Nordic airline for 2022



Norwegian limits losses before tax (EBT) to NOK 80 million in quarter characterised by seasonally softer demand

Norwegian today reported its fourth quarter and preliminary full-year results for 2022. The figures demonstrate Norwegian's ability to adjust capacity and conserve liquidity when moving from the busy summer season and into the quieter winter trading period.

For the full-year of 2022, Norwegian delivered an operating profit (EBIT) of NOK 1,502 million. For the fourth quarter of 2022, the company delivered an operating loss (EBIT) of NOK 39 million. Profit before tax (EBT) amounted to negative NOK 80 million in the quarter. Continued liquidity discipline led the company to conclude the year with a cash position of NOK 7.8 billion. At year-end, the Norwegian fleet comprised 70 aircraft.

In the fourth quarter of 2022, Norwegian had 4.6 million passengers, up from 3.1 million in the fourth quarter of 2021. Production (ASK) was 6.9 billion seat kilometres, while passenger traffic (RPK) was 5.7 billion seat kilometres. The load factor increased to 81.4 percent from 77 percent in the same period last year.

Punctuality, share of flights departing on schedule, was 82.3 percent, down from 87.8 percent in the same period last year, but a significant improvement from 73.6 percent in the previous quarter. Regularity, share of scheduled flights taking place, was 99.4 percent. Cirium, the global aviation consultancy, named Norwegian the most punctual airline in the Nordics and among the most punctual airlines in Europe for 2022.

"We now close a chapter on 2022, a year where our operations have performed well, in spite of sweeping industry challenges across European airports, and a year where our financial results were negatively impacted by record-high fuel prices and a strong USD. Being the most punctual Nordic airline in 2022 is a true testament to the efforts of our many dedicated colleagues and an important reason for why an increasing number of customers choose to fly Norwegian, both for their leisure and corporate travels. Our New Year's sale campaign has exceeded all expectations with more than one million seats sold in only 14 days, a strong sign of the exciting year we have ahead of us," said Geir Karlsen, CEO of Norwegian.

Norwegian received the highest possible score for its emissions reduction initiatives in the global climate ranking by Carbon Disclosure Project (CDP) and an overall score of B-. This is a testament to the company's ambitious target of reducing emissions by 45 percent by 2030 and its targeted measures within fleet renewal, sustainable aviation fuel and advanced navigational tools to achieve this.

In December, the Ministry of Climate and Environment maintained that Norwegian is liable to pay a fee of close to NOK 400 million for the failure to meet its EU ETS obligations for 2020, in a period when the company was under reconstruction and was prevented from fulfilling its obligations. Norwegian disputes the fee and has sought judicial review to resolve the matter.

Looking ahead to a successful 2023

Looking ahead, Norwegian is well positioned to further solidify the position as a leading Nordic airline in 2023. The strong operational performance, award-winning loyalty program 'Norwegian Reward' is, together with the attractive and growing route network, highly appreciated by the customers.

Norwegian will continue to utilise its fleet flexibility by matching capacity to seasonal demand through the current winter trading period. To meet the anticipated strong demand going forward, the company has signed a Letter of Intent (LOI) to lease six Boeing 737 MAX 8 aircraft on lease from Air Lease Corporation (ALC) to be delivered ahead of the summer 2023 season. These leases will help to counteract delays from Boeing for other aircraft that were originally due for delivery this spring. For the upcoming summer season, the company expects to operate a total fleet of 81 aircraft.

CONSOLIDATED FINANCIAL KEY FIGURES

<i>(unaudited in NOK million)</i>	Q4 2022	Q4 2021	Change	Full year 2022	Full year 2021	Change
Operating revenue	4,969.0	2,549.9	95 %	18,869.3	5,067.8	272 %
EBITDAR	410.0	114.2	259 %	1,254.0	-1,516.0	NM
EBITDAR excl other losses/(gains)	349.4	-86.9	NM	1,246.7	-2,253.5	NM
Operating profit (EBIT)	-39.3	-262.7	85 %	1,502.3	-2,786.0	NM
EBIT excl other losses/(gains)	-99.9	-463.7	78 %	1,495.0	-3,523.5	NM
Profit (loss) before tax (EBT)	-80.3	117.4	NM	1,046.4	1,876.0	-44 %
Net profit (loss)	-118.9	111.8	NM	1,005.5	1,870.5	-46 %
EBITDAR margin	8.3 %	4.5 %		6.6 %	-29.9 %	
EBIT margin	-0.8 %	-10.3 %		8.0 %	-55.0 %	
EBT margin	-1.6 %	4.6 %		5.5 %	37.0 %	
Net profit margin	-2.4 %	4.4 %		5.3 %	36.9 %	
Book equity per share (NOK)				4.5	3.5	28 %
Equity ratio (%)				18.5 %	17.4 %	1.1 pp
Cash and cash equivalents				7,759.0	7,694.8	1 %
Net interest-bearing debt				2,326.3	1,682.5	38 %

OPERATIONAL REVIEW

CONSOLIDATED TRAFFIC FIGURES AND RATIOS

<i>(unaudited ratios in NOK)</i>	Q4 2022	Q4 2021	Change	Full year 2022	Full year 2021	Change
Yield - ticket revenue	0.67	0.57	17 %	0.67	0.57	17 %
Yield - total	0.79	0.69	14 %	0.79	0.71	12 %
Unit revenue - ticket	0.54	0.44	24 %	0.56	0.41	34 %
Unit revenue - total	0.64	0.54	20 %	0.66	0.51	28 %
Unit cost	0.73	0.65	12 %	0.71	0.91	-22 %
Unit cost excl fuel	0.47	0.49	-5 %	0.44	0.76	-42 %
Ancillary revenue per passenger	152	141	8 %	161	152	6 %
ASK (million)	6,946	4,626	50 %	27,382	9,437	190 %
RPK (million)	5,656	3,563	59 %	22,757	6,869	231 %
Passengers (million)	4.58	3.14	46 %	17.84	6.19	188 %
Load factor	81.4 %	77.0 %	4.4 pp	83.1 %	72.8 %	10.3 pp
Average sector length (km)	1,124	990	14 %	1,168	960	22 %
Fuel consumption (1,000 mt)	142	95	50 %	555	193	187 %
CO ₂ per RPK	79	84	-6 %	77	89	-13 %

TRAFFIC DEVELOPMENT

Passenger demand for air travel fell from the busy summer travel season and into the slower winter period, in accordance with expected seasonality. For the fourth quarter of 2022, Norwegian had 4.6 million passengers, up from 3.1 million in the fourth quarter of 2021 and down from 6.1 million in the previous quarter. Production (ASK) for the quarter was 6,946 million kilometres, up 50 percent from the same period last year. Passenger traffic (RPK) was 5,656 million kilometres. The load factor was 81.4 percent, compared to 77.0 percent in the same period last year and 88.8 percent in the previous quarter.

At the end of the fourth quarter of 2022, the total fleet comprised 70 aircraft, while 65 aircraft were on average utilised during the quarter. Each aircraft was on average utilised 10.6 block hours per day, up from 9.7 block hours in the same period last year and down from 12.4 block hours in the previous quarter.

OPERATING PERFORMANCE

Punctuality, share of flights departing on schedule, was 82.3 percent in the fourth quarter of 2022, down from 87.8 percent in the fourth quarter of 2021 and up from 73.6 percent in the previous quarter. Share of flights arriving within one hour of scheduled arrival time was 95.5 percent.

Regularity, share of scheduled flights taking place, was 99.4 percent in the quarter, unchanged from the previous quarter.

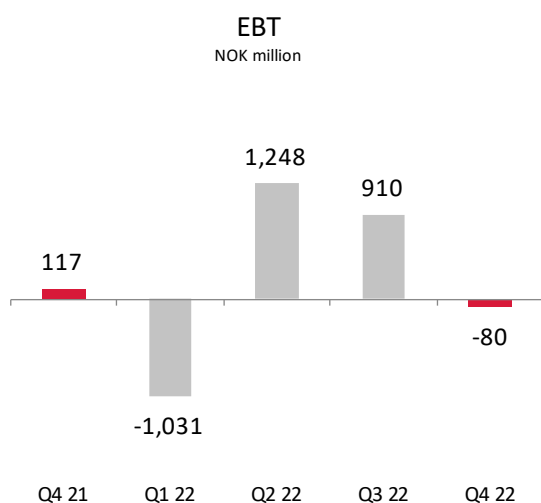
FINANCIAL REVIEW

Norwegian has experienced strong demand across all markets this summer and through the month of October. From November, demand has fallen in line with expected seasonality and Norwegian has reduced capacity to match this. The fourth quarter results are affected by macroeconomic uncertainty, predominantly related to high fuel prices and a strong USD.

EBITDAR was NOK 410 million in the fourth quarter of 2022, compared to NOK 114 million in the same period last year and NOK 1,526 million in the previous quarter. EBITDAR this quarter was positively impacted by the expiration of 'Norwegian Reward' CashPoints at year-end. EBITDAR excluding other losses/(gains) was NOK 349 million, compared to negative NOK 87 million in the same period last year and NOK 1,569 million in the previous quarter. Other losses/(gains) amounted to a net gain of NOK 61 million in the quarter, primarily related to currency gain from translation of working capital in foreign currency.

Operating profit (EBIT) for the quarter amounted to negative NOK 39 million, compared to negative NOK 263 million in the same period last year and NOK 1,032 million in the previous quarter. Operating profit (EBIT) excluding other losses/(gains) amounted to negative NOK 100 million, compared to negative NOK 464 million in the same period last year and NOK 1,074 million in the previous quarter.

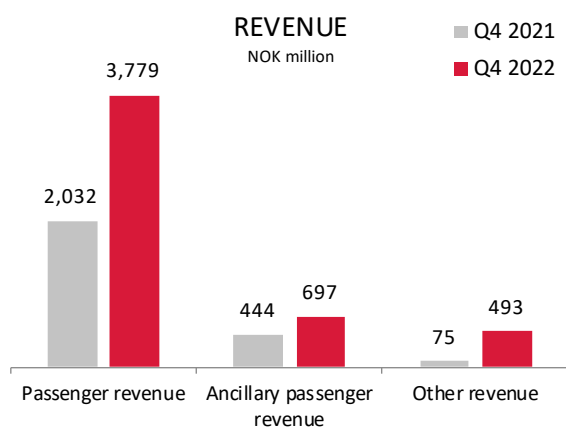
Profit before tax (EBT) amounted to negative NOK 80 million, compared with NOK 117 million in the same period last year and NOK 910 million in the previous quarter.



REVENUE

Total operating revenue in the fourth quarter of 2022 increased to NOK 4,969 million from NOK 2,550 million in the fourth quarter of 2021. Compared to the previous quarter, total operating revenue decreased 30 percent in accordance with reduced seasonal demand. Passenger ticket revenue was NOK 3,779 million, compared to NOK 2,032 million in the same period last year and NOK 5,936 million in the previous quarter. Ancillary passenger revenue was NOK 697 million, compared to NOK 444 million in the same period last year and NOK 1,047 million in the previous quarter. Other revenue primarily relates to commission from in-flight sales and revenue from loyalty program 'Norwegian Reward', and amounted to NOK 493 million in the quarter, up from NOK 75 million in the same period last year and NOK 133 million in the previous quarter. Other revenue this quarter was elevated due to the expiration of 'Norwegian Reward' CashPoints granted in 2018 and 2019.

Unit ticket revenue in the quarter was NOK 0.54, compared to NOK 0.44 in the same period last year and NOK 0.66 in the previous quarter. Unit revenue including flight related ancillary revenues was NOK 0.64. Ticket revenue yield was NOK 0.67, compared to NOK 0.57 in the same period last year and NOK 0.75 in the previous quarter. Yield including flight related ancillary revenues was NOK 0.79. Ancillary revenue per passenger was NOK 152, compared to NOK 141 in the same period last year and NOK 172 in the previous quarter.



OPERATING EXPENSES

Total operating expenses excluding depreciation, amortization and aircraft lease amounted to NOK 4,559 million in the fourth quarter of 2022, up from NOK 2,436 million in the fourth quarter of 2021 and down from NOK 5,589 million in the previous quarter. Adjusted for other losses/(gains), total operating expenses decreased by 17 percent from the previous quarter.

Unit cost, which excludes other losses/(gains) and includes aircraft lease, depreciation and amortization, was NOK 0.73 in the quarter, up from NOK 0.65 in the same period last year and NOK 0.68 in the previous quarter. Unit cost excluding fuel amounted to NOK 0.47, down from NOK 0.49 in the same period last year and up from NOK 0.39 in the previous quarter.

LEASE AND RENTAL EXPENSES

Aircraft lease, depreciation and amortization amounted to NOK 449 million in the quarter, compared to NOK 377 million in the same period last year and NOK 494 million in the previous quarter. Lease expenses related to wet lease operations amounted to NOK 34 million in the quarter.

FINANCIAL ITEMS

Net financial items amounted to a net loss of NOK 41 million in the quarter, compared with a gain of NOK 380 million in the same period last year and a loss of NOK 122 million in the previous quarter. Interest expenses amounting to NOK 168 million for the quarter included NOK 88 million in interest expense on lease liabilities recognised according to IFRS 16. Other financial income (expense) amounted to a net gain of NOK 93 million in the quarter.

TAX

Tax expense amounted to NOK 39 million in the quarter of which NOK 33 million related to a court decision in favour of the Norwegian Tax Authorities in relation an ECC cross-border restructuring that took place in 2013 and 2014.

FINANCIAL POSITION AND LIQUIDITY

Aircraft assets are accounted for in USD, creating a natural hedge against USD denominated financing when translated into NOK.

Net interest-bearing debt at the end of 2022 amounted to NOK 2,326 million. Compared to the end of the previous quarter, net interest-bearing debt decreased by NOK 346 million, primarily a result of reduced leased liabilities from currency revaluations with the NOK appreciating against the USD during the quarter. A total of 70 aircraft were accounted for in the balance sheet through leased and owned aircraft, up from 69 aircraft at the end of the previous quarter. Included in net interest-bearing debt is the zero coupon Retained Claims Bonds, amounting to NOK 2,739 million at the year-end.

Equity amounted to NOK 4,203 million at year-end, corresponding to an equity ratio of 18.5 percent. Compared to the end of the previous quarter, the equity ratio decreased by 1.1 percentage points.

Total non-current assets amounted to NOK 12,625 million at the end of 2022, compared to NOK 8,961 million at the end of 2021 and NOK 13,735 million at the end of the previous quarter.

Intangible assets amounted to NOK 2,090 million at year-end and was predominantly comprised of deferred tax assets amounting to NOK 1,901 million.

Tangible assets amounted to NOK 10,078 million at year-end, compared to NOK 6,768 million at the end of 2021 and NOK 11,258 million at the end of the previous quarter, and was predominantly comprised of owned aircraft, right of use assets for leased aircraft and prepayment for ordered aircraft. Prepayment for ordered aircraft amounted to NOK 2,937 million and relate to the purchase order of 50 Boeing 737 MAX 8 aircraft.

Total current assets amounted to NOK 10,045 million at the end of 2022, compared to NOK 9,864 million at the end of 2021 and NOK 11,106 million at the end of the previous quarter. Holdback as share of air traffic settlement liabilities was 39 percent at year-end, down from 56 percent at the end of the previous quarter.

Cash and cash equivalents amounted to NOK 7,759 million at year-end, corresponding to an increase of NOK 64 million from the end of 2021 and a decrease of NOK 431 million from the end of the previous quarter.

Total non-current liabilities amounted to NOK 10,842 million at the end of 2022, compared to NOK 9,488 million at the end of 2021 and NOK 11,536 million at the end of the previous quarter. The reduction from the previous quarter was primarily attributed to currency revaluations of aircraft leases.

Total current liabilities amounted to NOK 7,624 million at the end of 2022, compared to NOK 6,068 million at the end of 2021 and NOK 8,446 million at the end of the previous quarter.

Air traffic settlement liabilities amounted to NOK 2,549 million at year-end, up from NOK 1,324 million at the end of the 2021 and down from NOK 3,102 million at the end of the previous quarter.

Other current liabilities amounted to NOK 3,686 million at year-end, of which CashPoint liabilities amounted to NOK 1,251 million.

Equity at the end of 2022 amounted to NOK 4,203 million, compared to NOK 3,270 million at the end of 2021 and NOK 4,859 million at the end of the previous quarter.

CASH FLOW

Cash and cash equivalents amounted to NOK 7,759 million at the end of 2022, an increase of NOK 64 million from NOK 7,695 million at the end of 2021. Compared to the previous quarter, cash and cash equivalents decreased by NOK 431 million from NOK 8,190 million.

Cash flow from operating activities in the fourth quarter of 2022 amounted to positive NOK 56 million, compared to positive NOK 117 million in the fourth quarter of 2021 and positive NOK 1,707 million in the previous quarter. Air traffic settlement liabilities decreased by NOK 554 million during the quarter while receivables decreased by NOK 521 million. Other adjustments amounted to negative NOK 152 million during the quarter. Other adjustments primarily consist of finance items, changes in other assets and other liabilities in addition to non-cash effects included in profit before tax.

For 2022, cash flow from operating activities amounted to positive NOK 2,426 million, compared to positive NOK 139 million for 2021.

Cash flow from investing activities in the quarter amounted to negative NOK 27 million, compared to positive NOK 237 million in the same period last year and negative NOK 646 million in the previous quarter.

For 2022, cash flow from investing activities amounted to negative NOK 801 million and primarily consisted of prepayment for ordered aircraft to aircraft manufacturer Boeing. For 2021, cash flow from investing activities amounted to positive NOK 223 million.

Cash flow from financing activities in the quarter amounted to negative NOK 450 million, compared to negative NOK 219 million in the same period last year and negative NOK 421 million in previous quarter.

For 2022, cash flow from financing activities amounted to negative NOK 1,561 million, compared to positive NOK 4,784 million for 2021 which included NOK 5,863 million in capital raise.

RISK AND UNCERTAINTIES

Norwegian is exposed to several risk factors such as market risk, operational risk, financial risk and liquidity risk. Future demand is dependent on sustained consumer and business confidence in key markets. Demand for airline travel is subject to strong seasonal variations. The effects of the coronavirus COVID-19 pandemic on the airline industry have dissipated, but adverse development in coronavirus variants, infections and travel restrictions going forward may impact the company's operations.

The current macroeconomic environment is uncertain with elevated energy and fuel prices, inflationary pressure, fluctuations in foreign exchange rates, the ongoing war in Ukraine, as well as potential impacts of disruptions in the global supply chain. Such factors may have a significant impact on Norwegian's business and financial result.

In the event of industrial actions, operations may be affected, causing disruptions for customers and affect the company's financial performance.

For additional explanations regarding risks and uncertainties, please refer to the following sections in the company's Annual Report 2021: The Financial Risk and Risk Management section and the Going Concern section of the Board of Director's report, Note 2: Financial Risk and Note 26: Contingencies and Legal Claims. Note 10 to this interim report includes updates to contingencies and legal claims.

OUTLOOK

Norwegian is currently increasing the total fleet from 70 aircraft to match the increasing demand for air travel and to benefit from increasing scale. The company has recently secured six additional Boeing 737 MAX 8 aircraft for the summer of 2023 and expect to operate a total fleet of 81 aircraft during the peak summer season.

Through the current winter season, the company will continue to utilise its fleet flexibility, enabled by power-by-the-hour (PBH) lease agreements, to reduce capacity by up to 30 percent. For 2023, the company is targeting an overall production (ASK) of 34,000 million seat kilometres, a 24 percent increase from 2022. The company is also targeting an increased unit revenue and a reduction in unit cost excluding fuel of five to ten percent compared to 2022. High fuel prices and a strong USD may have an adverse impact on the company's financial results for 2023. The company is reducing its exposure to higher fuel prices through hedging contracts and have hedged a total of 25 percent of estimated fuel consumption for the current year.

Consumer demand for air travel may be impacted by the present high levels of inflation and increasing interest rates. Current booking trends do however remain encouraging, with the well-received New Year's sale campaign supporting this. Booking visibility continues to remain somewhat low as many customers choose to book travels closer to the date of travel.

Norwegian has more than 300 routes for sale across the Nordics and to attractive European destinations. With strong brand loyalty, a solid organisation and robust financial situation, Norwegian is well positioned to tackle short-term fluctuations in demand and to solidify its position as a leading Nordic airline.

Fornebu, 15 February 2023

Board of Directors
Norwegian Air Shuttle ASA

CONDENSED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

<i>(unaudited in NOK million)</i>	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Passenger revenue	3,779.4	2,031.5	15,197.7	3,911.8
Ancillary passenger revenue	696.7	443.7	2,870.0	941.5
Other revenue	492.9	74.7	801.6	214.5
Total operating revenue	4,969.0	2,549.9	18,869.3	5,067.8
Personnel expenses	782.4	644.3	2,884.8	2,084.9
Aviation fuel	1,801.5	725.0	7,371.4	1,413.8
Airport and ATC charges	557.3	342.2	2,095.5	820.1
Handling charges	448.5	320.1	1,668.7	757.0
Technical maintenance expenses	466.6	276.6	1,665.9	855.5
Other operating expenses	563.3	328.6	1,936.2	1,390.2
Other losses/(gains)	-60.6	-201.0	-7.3	-737.5
Total operating expenses excl lease, depr. and amort.	4,559.0	2,435.8	17,615.3	6,583.9
Operating profit excl lease, depr. and amort. (EBITDAR)	410.0	114.2	1,254.0	-1,516.0
Aircraft lease, depreciation and amortization	449.3	376.8	1,851.0	1,270.0
Reversal of impairment loss regarding prepayment on aircraft	0.0	0.0	-2,099.4	0.0
Operating profit (EBIT)	-39.3	-262.7	1,502.3	-2,786.0
Interest income	34.1	13.6	72.6	13.7
Interest expense	168.3	123.5	650.0	682.3
Other financial income (expense)	93.2	489.9	121.6	5,330.5
Net financial items	-40.9	380.1	-455.9	4,662.0
Profit (loss) before tax (EBT)	-80.3	117.4	1,046.4	1,876.0
Income tax expense (income)	38.7	5.5	41.0	5.5
Net profit (loss)	-118.9	111.8	1,005.5	1,870.5
Net profit (loss) attributable to:				
Owners of the parent company	-118.9	111.8	1,005.5	1,870.5
Basic earnings per share (NOK)	-0.16	0.10	0.99	3.52
Diluted earnings per share (NOK)	-0.16	0.10	0.89	2.68
Number of shares at the end of the period	929,989,739	928,518,496	929,989,739	928,518,496
Average number of shares outstanding	929,989,739	927,823,169	929,579,566	522,786,820
Number of diluted shares at the end of the period	1,124,940,531	1,124,319,545	1,124,940,531	1,124,319,545
Average number of shares outstanding after dilution	1,126,172,532	1,123,274,823	1,125,497,085	698,547,559

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(unaudited in NOK million)</i>	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Net profit (loss) for the period	-118.9	111.8	1,005.5	1,870.5
Actuarial gains and losses	-6.8	14.1	-6.8	14.1
Exchange rate differences	-487.4	454.2	13.7	151.0
Fair value adjustments through OCI	-1.8	0.0	-1.8	0.0
Other	4.5	0.0	0.0	-3.9
Total comprehensive income for the period	-610.4	580.1	1,010.5	2,031.7
Total comprehensive income attributable to:				
Owners of the company	-610.4	580.1	1,010.5	2,031.7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(unaudited in NOK million)</i>	Note	31 DEC 2022	31 DEC 2021
ASSETS			
Intangible assets		2,089.7	2,070.6
Tangible assets	1,6	10,077.9	6,767.5
Other non-current assets		457.1	123.1
Total non-current assets		12,624.7	8,961.3
Inventory		81.3	16.3
Receivables		2,204.7	2,152.9
Cash and cash equivalents		7,759.0	7,694.8
Total current assets		10,044.9	9,864.1
TOTAL ASSETS		22,669.6	18,825.4
EQUITY AND LIABILITIES			
Shareholder's equity	8	4,203.4	3,269.6
Total equity		4,203.4	3,269.6
Non-current debt	7	8,696.2	8,416.4
Other non-current liabilities		2,146.1	1,071.4
Total non-current liabilities		10,842.3	9,487.7
Air traffic settlement liabilities		2,548.5	1,324.2
Current debt	7	1,389.1	961.0
Other current liabilities		3,686.3	3,782.9
Total current liabilities		7,623.9	6,068.0
Total liabilities		18,466.2	15,555.8
TOTAL EQUITY AND LIABILITIES		22,669.6	18,825.4

CONSOLIDATED STATEMENT OF CASH FLOW

<i>(unaudited in NOK million)</i>	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Profit before tax	-80.3	117.4	1,046.4	1,876.0
Paid taxes	-34.4	0.0	-37.0	0.0
Depreciation, amortization and impairment	355.1	294.2	-697.1	1,133.5
Reconstruction effects	0.0	-548.0	0.0	-5,340.8
Changes in air traffic settlement liabilities	-553.9	-232.4	1,224.3	922.7
Changes in receivables	520.8	771.8	-82.2	1,131.1
Other adjustments	-151.5	-285.7	971.2	416.6
Net cash flows from operating activities	55.8	117.2	2,425.7	139.1
Purchases, proceeds and prepayment of tangible assets	-7.9	238.7	-781.8	231.4
Other investing activities	-19.6	-1.8	-19.6	-8.7
Net cash flows from investing activities	-27.4	236.9	-801.3	222.6
Principal repayments	-304.3	-210.5	-1,109.9	-687.6
Financing costs paid	-145.6	-1.0	-443.7	-13.3
Paid dividend to creditors	-0.2	-7.8	-7.6	-377.7
Proceeds from issuing new shares and perpetual bond	0.0	0.0	0.0	5,862.9
Net cash flows from financing activities	-450.1	-219.3	-1,561.1	4,784.4
Net change in cash and cash equivalents	-421.8	134.8	63.2	5,146.1
Foreign exchange effect on cash	-9.0	-75.4	1.0	-118.2
Cash and cash equivalents at beginning of period	8,189.7	7,635.4	7,694.8	2,666.9
Cash and cash equivalents at end of period	7,759.0	7,694.8	7,759.0	7,694.8

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(unaudited in NOK million)</i>	Full year 2022	Full year 2021
Equity - Beginning of period	3,269.6	-6,623.9
Total comprehensive income for the period	1,010.5	2,031.7
Share issue	13.8	4,071.7
Convertible dividend claim issue	0.0	1,933.5
Perpetual bonds issue and conversions	-13.8	1,843.3
Interest payment on perpetual bond	-80.1	0.0
Equity change on employee options	3.3	13.2
Equity - End of period	4,203.4	3,269.6

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

NOTE 1 ACCOUNTING PRINCIPLES

The condensed consolidated interim financial statements comprise Norwegian Air Shuttle ASA and its subsidiaries (the company). Norwegian Air Shuttle ASA is a limited liability company incorporated in Norway. The consolidated financial statements of the company for the year ended 31 December 2021 are available at www.norwegian.com.

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the rules and regulations of Oslo Stock Exchange and International Accounting Standard (IAS) 34 Interim Financial Reporting. They do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the company for the year ended 31 December 2021.

The accounting policies applied by the company in these condensed consolidated financial statements are the same as those applied by the company in its consolidated financial statements for the year ended 31 December 2021.

JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed consolidated interim financial statements is in accordance with IFRS and applying the chosen accounting policies require management to make judgments, estimates and assumptions which affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical figures and various other factors which are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in

applying the company's accounting policies and the key sources of estimation uncertainty, were the same as those that applied to the consolidated financial statements for the period ended 31 December 2021.

The going concern basis of accounting is adopted in preparing these interim financial statements. Refer to the Risks and Uncertainties section of this Interim Report for further information.

IMPAIRMENT

The company assesses whether there are any indications that its assets may be impaired at the end of each reporting period. There are no new impairment indicators during the reporting period.

The Group recognised a partial impairment reversal of NOK 2,099 million in the second quarter relating to predelivery payments ("PDP") towards Boeing.

In 2020, PDP balances were impaired by NOK 4,121 million, due to uncertain recoverability of PDP assets related to aircraft purchase agreements.

After negotiations with Boeing in relation to a new aircraft purchase agreement dated 22 June 2022, Boeing has confirmed that USD 215 million will be compensated by re-instating USD 200 million for aircraft and USD 15 million that can be utilised for other goods and services.

NOTE 2 RISK

SENSITIVITY ANALYSIS

<i>(unaudited in NOK million)</i>	<i>Effect on income</i>
1% decrease in jet fuel price	56
1% depreciation of NOK against USD	-94
1% depreciation of NOK against EUR	-17

The sensitivity analysis for changes in the jet fuel price is based on expected consumption for the current financial year. The sensitivity analysis for the impact of changes in NOK against USD and EUR reflects USD and EUR transactions impacting Net Profit during the past twelve months.

NOTE 3 REVENUE

Passenger revenue comprises only ticket revenue, while ancillary passenger revenue is other passenger related revenue such as optional extras. Other revenue consists of revenue not directly related to passengers such as third-party products and other

income. Passenger related revenue per country is based on the starting point of customer journeys. Freight related revenue is based on the starting point of freight services.

OPERATING REVENUE BY COUNTRY

<i>(unaudited in NOK million)</i>	Q4 2022	Q4 2021	Change	Full year 2022	Full year 2021	Change
Per country						
Norway	1,946.3	1,156.4	68 %	7,330.9	2,487.0	195 %
Spain	807.3	382.8	111 %	2,734.7	651.1	320 %
Denmark	550.8	292.2	89 %	2,154.3	575.8	274 %
Sweden	517.9	273.4	89 %	1,976.8	524.2	277 %
United Kingdom	246.2	73.1	237 %	829.8	91.1	811 %
Finland	210.5	80.1	163 %	645.3	122.0	429 %
Italy	98.6	35.9	175 %	479.1	66.3	623 %
France	94.9	41.5	129 %	500.8	104.8	378 %
Germany	75.2	30.1	150 %	270.1	47.5	468 %
Poland	65.5	25.6	156 %	214.3	46.2	364 %
Other	355.9	159.2	123 %	1,733.2	351.7	393 %
Total operating revenue	4,969.0	2,549.9	95 %	18,869.3	5,067.8	272 %
Total outside of Norway	3,022.8	1,393.6	117 %	11,538.4	2,580.8	347 %

NOTE 4 SEGMENT INFORMATION

The Executive Management team reviews the company's internal reporting to assess performance and allocate resources. Executive Management has determined the operating segment on these reports.

Executive Management considers the business as one operational segment, which is low-cost air passenger travel. The company's operating profit arises from airline-related activities and the only revenue generating asset of the company is its aircraft fleet, which is employed flexibly across the entire operation and irrespective of geographic location.

Performance is measured by Executive Management based on the operating segment's earnings before interest, tax, aircraft lease, depreciation and amortization (EBITDAR). Other information is measured in a manner consistent with that in the financial statements.

NOTE 5 INFORMATION ON RELATED PARTIES

For detailed information on related party transactions, please refer to Note 25 in the Annual Report for 2021. There have been no significant transactions with related parties during 2022 apart from recurring agreements such as described in the 2021 Annual Report. All transactions with related parties are considered priced on an arm's-length basis.

NOTE 6 TANGIBLE ASSETS

<i>(unaudited in NOK million)</i>	31 DEC 2022	31 DEC 2021
Predelivery payments	2,937.5	0.0
Owned aircraft, parts and installations on leased aircraft	1,087.5	1,020.7
Right of use assets aircraft and parts	5,522.0	5,152.6
Aircraft, parts and installations	6,609.5	6,173.3
Other tangible assets owned	350.8	382.3
Right of use assets other	180.1	212.0
Other tangible assets	530.9	594.3
Total tangible assets	10,077.9	6,767.5
Total right of use assets	5,702.1	5,364.6

NOTE 7 BORROWINGS

<i>(unaudited in NOK million)</i>	31 DEC 2022	31 DEC 2021
Bond issue	3,188.7	3,101.9
Aircraft financing	726.8	744.7
Lease liabilities	4,646.2	4,434.8
Other non-current debt	134.5	134.9
Non-current debt	8,696.2	8,416.4
Bond issue	121.8	125.0
Aircraft financing	76.7	58.1
Lease liabilities	1,190.6	777.9
Current debt	1,389.1	961.0
Total borrowings	10,085.3	9,377.3

NOTE 8 SHAREHOLDER INFORMATION

20 largest shareholders at 31 December 2022*

Name	Country	Number of shares	Percent
1 Geveran Trading Company, Ltd.	Cyprus	133,430,512	14.3 %
2 Sundt AS	Norway	106,103,198	11.4 %
3 Folketrygdfondet	Norway	46,651,798	5.0 %
4 Ballyfin Aviation Limited	Ireland	31,472,703	3.4 %
5 Silver Point Capital, L.P.	United States	30,478,125	3.3 %
6 Nordnet Bank AB.	Norway	30,070,165	3.2 %
7 Keskinäinen eläkevakuutusyhtiö Varma	Finland	27,500,000	3.0 %
8 Handelsbanken Kapitalförvaltning AB	Sweden	27,313,039	2.9 %
9 Avanza Bank AB	Sweden	24,680,156	2.7 %
10 Contrarian Capital Management, LLC	United States	17,708,189	1.9 %
11 DNB Asset Management AS	Norway	16,151,037	1.7 %
12 Morgan Stanley & Co. International Plc	United Kingdom	12,663,237	1.4 %
13 KLP Fondsforvaltning AS	Norway	12,493,863	1.3 %
14 BlackRock Institutional Trust Company, N.A.	United States	10,635,493	1.1 %
15 Svelland Capital (UK) Ltd	United Kingdom	9,427,617	1.0 %
16 Swedbank AB	Sweden	9,390,819	1.0 %
17 Nordea Funds Oy	Finland	9,339,301	1.0 %
18 BofA Global Research (UK)	United Kingdom	8,748,839	0.9 %
19 Brumm AS	Norway	8,285,480	0.9 %
20 HSBC Trinkaus & Burkhardt AG	Germany	7,107,742	0.8 %
Top 20 shareholders		580,032,235	62.4 %
Other shareholders		349,957,504	37.6 %
Total number of shares		929,989,739	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.

In the first half of 2022 there were four conversions of debt, where a total of NOK 13,8 million have been converted. The company have issued total 1,471,243 new shares in these conversions. There have been no new conversions in the third or fourth quarter of 2022.

Norwegian Air Shuttle ASA had a total of 929,989,739 shares outstanding as of 31 December 2022. There were 80,815 shareholders at the end of the fourth quarter of 2022.

NOTE 9 QUARTERLY DATA

<i>(unaudited in NOK million)</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
Passenger revenue	1,512.6	3,970.0	5,935.6	3,779.4	15,197.7
Ancillary passenger revenue	344.5	782.3	1,046.6	696.7	2,870.0
Other revenue	59.1	116.2	133.4	492.9	801.6
Total operating revenue	1,916.2	4,868.5	7,115.6	4,969.0	18,869.3
Personnel expenses	632.5	782.4	687.5	782.4	2,884.8
Aviation fuel	633.7	2,338.4	2,597.8	1,801.5	7,371.4
Airport and ATC charges	271.4	584.9	682.0	557.3	2,095.5
Handling charges	176.3	482.2	561.7	448.5	1,668.7
Technical maintenance expenses	272.7	423.9	502.6	466.6	1,665.9
Other operating expenses	381.9	475.7	515.3	563.3	1,936.2
Other losses/(gains)	15.5	-4.9	42.6	-60.6	-7.3
Total operating expenses excl lease, depr. and amort.	2,384.1	5,082.7	5,589.5	4,559.0	17,615.3
Operating profit excl lease, depr. and amort. (EBITDAR)	-467.9	-214.2	1,526.1	410.0	1,254.0
Aircraft lease, depreciation and amortization	380.7	526.6	494.3	449.3	1,851.0
Reversal of impairment loss regarding prepayment on aircraft	0.0	-2,099.4	0.0	0.0	-2,099.4
Operating profit (EBIT)	-848.6	1,358.5	1,031.8	-39.3	1,502.3
Interest income	17.4	4.3	16.8	34.1	72.6
Interest expense	165.5	151.9	164.4	168.3	650.0
Other financial income (expense)	-34.5	37.4	25.5	93.2	121.6
Net financial items	-182.6	-110.2	-122.1	-40.9	-455.9
Profit (loss) before tax (EBT)	-1,031.3	1,248.3	909.7	-80.3	1,046.4
Income tax expense (income)	2.3	0.0	0.0	38.7	41.0
Net profit (loss)	-1,033.6	1,248.3	909.7	-118.9	1,005.5

NOTE 10 CONTINGENCIES AND LEGAL CLAIMS

On 21 September 2021, the Norwegian Environment Agency concluded in an administrative ruling that the cram down of claims in the Examinership and Reconstruction does not apply to the company's obligation to surrender emission allowances under EU ETS (see Section 9.6.2 "Environmental regulations") for emissions predating 18 November 2020. The contemplated market value of such allowances is approximately NOK 330 million at year-end 2022. The Reconstructor determined that the Reconstruction applies to the company's obligation to surrender emission allowances as a different view would have given preference to the EU ETS regime, which the current insolvency legislation does not facilitate. Therefore, the company was unable to comply with the Norwegian Environment Agency's demand of the company surrendering emissions allowances. The lack of compliance caused the Norwegian Environment Agency to impose a penalty of approximately NOK 400 million on the company. The company appealed the decision, but on 16 December 2022 the Ministry of Climate and Environment decided to uphold the Norwegian Environment Agency's decision. The company, supported by its

advisors and the Reconstructor, are of the view that the company's obligation to surrender emission allowances for emissions pre-dating 18 November 2020 can be settled by paying dividend of 5 percent introduced under the Reconstruction and the decision to impose a penalty of NOK 400 million is invalid. On this basis, the company filed a statement of claim to Oslo District Court on 9 January 2023. The legal issue concerning treatment of emission allowances in insolvency has never been tried in court before. The company has not yet received response, but will make such efforts necessary to avoid enforcement during the court proceedings. As a consequence of the Reconstruction, the amount corresponding to the contemplated market value of such allowances was crammed down and the company has made a provision of NOK 15 million at year-end.

There are no other significant additions or changes to the information regarding contingencies or legal claims presented in Note 26 to the Annual Financial Statements for 2021.

NOTE 11 EVENTS AFTER THE REPORTING DATE

On 30 January 2023, Norwegian announced a buy-back with an aggregated nominal value of NOK 412.5 million of the zero-coupon senior unsecured NOK 3,714,318,301 Retained Claims Bonds maturing 30.09.2026 (ISIN: 0010996457) at a price of 72.50 percent of par value. On 3 February 2023, Norwegian announced an additional buy-back with an aggregated nominal value of NOK 72.2 million of the aforementioned Retained Claims Bonds at a price of 72.50 per cent of par value.

On 6 February 2023, Norwegian announced that it has signed a Letter of Intent (LOI) with Air Lease Corporation (ALC) to lease six Boeing 737 MAX 8 aircraft which are in addition to three 737 MAX

8 aircraft Norwegian previously agreed to lease from ALC of which one has already been delivered to Norwegian. The aircraft are to be delivered in short time to Norwegian and ahead of the summer 2023 season.

There have been no other material events subsequent to the reporting period that might have a significant effect on the financial report for the fourth quarter of 2022.

DEFINITIONS

ALTERNATIVE PERFORMANCE MEASURES

Norwegian Air Shuttle's financial information is prepared in accordance with International Financial Reporting Standards (IFRS). In addition, the company presents alternative performance measures (APM). The APMs are regularly reviewed by management and their aim is to enhance stakeholders' understanding of the company's performance. APMs are

calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described in the table below.

The definitions are consistent with those used in previous financial reports.

MEASURE	DESCRIPTION	REASON FOR INCLUDING
Operating profit (EBIT)	Earnings before net financial items, income tax expense (income) and share of profit (loss) from associated companies. Equivalent to operating profit in the consolidated income statement in the annual report	Enables comparability of profitability regardless of capital structure or tax situation
EBIT excl. other losses/(gains)	Earnings before net financial items, income tax expense (income) and share of profit (loss) from associated companies, adjusted for other losses/(gains)-net	Enables comparability of profitability regardless of capital structure or tax situation, excluding effects for certain volatile operating expenses
EBIT margin	EBIT divided by total operating revenue	Enables comparability of profitability relative to operating revenue
EBITDAR	Earnings before net financial items, income tax expense (income), depreciation, amortization and impairment, restructuring, aircraft leasing expenses and share of profit (loss) from associated companies	A measure of operating performance that enables comparison between airlines as it is not affected by the method used to finance aircraft
EBITDAR excl. other losses/(gains) / Underlying operating result before ownership costs	Earnings before net financial items, income tax expense (income), depreciation, amortization and impairment, restructuring, aircraft leasing expenses and share of profit (loss) from associated companies, adjusted for other losses/(gains)-net	A measure of operating performance that enables comparison between airlines as it is not affected by the method used to finance aircraft, excluding effects for certain volatile operating expenses
EBITDAR margin	EBITDAR divided by total operating revenue	Enables comparability of profitability relative to operating revenue
Profit (loss) before tax (EBT)	Earnings before income tax expense (income). Equivalent to profit (loss) before income tax expense (income) in the Consolidated Income Statement in the annual report	Enables comparability of profitability regardless of capital structure or tax situation
EBT excl. other losses/(gains) and impairment	Earnings before income tax expense (income), adjusted for other gains/(losses) and impairment costs	Enables comparability of profitability regardless of one-off impairment losses, excluding effects for certain volatile operating expenses
EBT margin	EBT divided by total operating revenue	Enables comparability of profitability relative to operating revenue
Net interest-bearing debt	Non-current debt plus current debt less cash and cash equivalents	Measurement of the ability to pay all debt with available cash and cash equivalents, if all debt matured on the day of the calculation. It is therefore a measure of the risk related to the company's capital structure
Other losses/(gains)	Gains and losses from foreign currency contracts, forward fuel contracts, adjustment of market value for total return swaps, translation of working capital in foreign currency, net gain or loss from sale of fixed assets and significant restructuring costs	Included as a specification to operating expenses to separate certain volatile effects from other operating expenses
Operating expenses excl. leasing, depreciation and amortization	Total operating expenses not including aircraft lease expense, depreciation, amortization and impairment	A measure of operating expenses that enables comparison between airlines as it is not affected by the method used to finance aircraft
Operating expenses excl. other losses/(gains), depreciation and lease	Total operating expenses not including other losses/(gains) depreciation, amortization, impairment and lease expenses	A measure of operating expenses that includes leasing but is not affected by other losses/(gains) depreciation, amortization, impairment and lease expenses, relevant to monitor the company's ability to reduce operating expenses during the COVID-19 pandemic and disregarding certain highly volatile and certain fixed costs

ALTERNATIVE PERFORMANCE MEASURES – RECONCILIATIONS

<i>(unaudited in NOK million)</i>	Q4 2022	Q4 2021	Full year 2022	Full year 2021
<u>Operating profit (EBIT) to EBIT excl other losses/(gains)</u>				
Operating profit (EBIT)	-39.3	-262.7	1,502.3	-2,786.0
- Other losses/(gains)*	-60.6	-201.0	-7.3	-737.5
EBIT excl other losses/(gains)	-99.9	-463.7	1,495.0	-3,523.5
<u>EBITDAR to EBITDAR excl other losses/(gains)</u>				
EBITDAR	410.0	114.2	1,254.0	-1,516.0
- Other losses/(gains)*	-60.6	-201.0	-7.3	-737.5
EBITDAR excl other losses/(gains)	349.4	-86.9	1,246.7	-2,253.5

*Other losses /(gains) is defined in table above and is a part of operating expenses, see consolidated income statement.

OTHER DEFINITIONS

ITEM	DESCRIPTION
Aircraft lease expenses	Lease and rental expenses on aircraft including both dry leases and wet leases
Ancillary revenue per passenger	Ancillary passenger revenue divided by number of passengers
ASK / Production	Available seat kilometres. Number of available passenger seats multiplied by flight distance
Average sector length	Total flown distance divided by number of flights
Book equity per share	Total equity divided by number of shares outstanding
CO ₂ per RPK	Amount of CO ₂ emissions divided by RPK
Constant currency	A currency exchange rate that excludes the impact of exchange rate fluctuations from comparable period, e.g. 2019 as comparable period
Equity ratio	Book equity divided by total assets
Fixed asset investment	Consists of the following non-current assets presented in the statement of financial position in the annual report: Investments in financial assets, investment in associate and other receivables
Fuel consumption	Aviation fuel consumed, presented in metric tons
Load factor	RPK divided by ASK. Describes the utilization of available seats
Passengers	Number of passengers, including no-show*
RPK	Revenue passenger kilometres. Number of sold seats multiplied by flight distance
Unit cost	Total operating expenses, excluding impairment and other losses/(gains)-net, divided by ASK
Unit cost excl fuel	Total operating expenses, excluding impairment, other losses/(gains)-net and aviation fuel expenses, divided by ASK
Unit revenue - ticket	Passenger ticket revenue divided by ASK
Unit revenue - total	Passenger ticket revenue and flight related ancillary revenue divided by ASK
Yield - ticket	Passenger ticket revenue divided by RPK. A measure of average fare per kilometre
Yield - total	Passenger ticket revenue and flight related ancillary revenue divided by RPK. A measure of average passenger revenue per kilometre

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BOARD OF DIRECTORS

Svein Harald Øygard	Chair
Sondre Gravir	Director
Ingrid Elvira Leisner	Director
Lars Rahbæk Boilesen	Director
Torstein Hiorth Soland	Director, employee representative
Katrine Gundersen	Director, employee representative
Eric Holm	Director, employee representative

GROUP MANAGEMENT

Geir Karlsen	Chief Executive Officer
Hans-Jørgen Wibstad	Chief Financial Officer
Magnus Thome Maursund	Chief Commercial Officer
Christoffer Sundby	Chief Marketing & Customer Officer
Guro H. Poulsen	Chief People Officer
Anne-Sissel Skånvik	Chief Communications & Public Affairs Officer
Knut Olav Irgens Høeg	Chief IT & Business Services Officer
Adrian Dunne	Chief Operations Officer
Tore Jenssen	Chief Asset Officer

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FINANCIAL CALENDAR 2023

16 February	Q4 Results
6 March	Monthly traffic data February
11 April	Monthly traffic data March
27 April	Annual Report 2022
5 May	Monthly traffic data April
12 May	Q1 Results
23 May	Annual General Meeting
6 June	Monthly traffic data May
6 July	Monthly traffic data June
4 August	Monthly traffic data July
24 August	Q2 Results
6 September	Monthly traffic data August
5 October	Monthly traffic data September
2 November	Q3 Results
6 November	Monthly traffic data October
6 December	Monthly traffic data November