



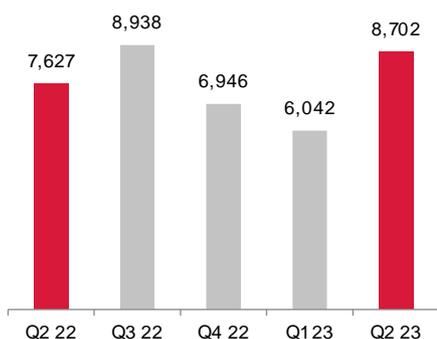
Norwegian Air Shuttle ASA

Second quarter 2023 financial report

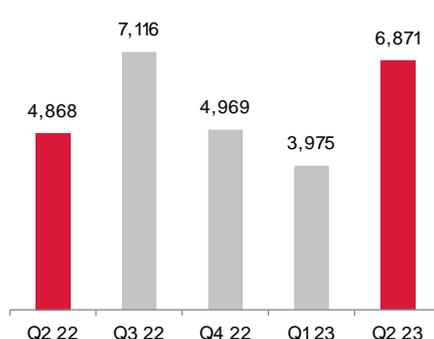


- Quarterly earnings (EBT) NOK 538 million – liquidity position increased to NOK 9.3 billion
- Widerøe acquisition – improved customer offering and shareholder accretive
- Preferred airline for leisure and corporates – awarded four-year Armed Forces contract
- Regularity 99.5% – Cirium most punctual European airline

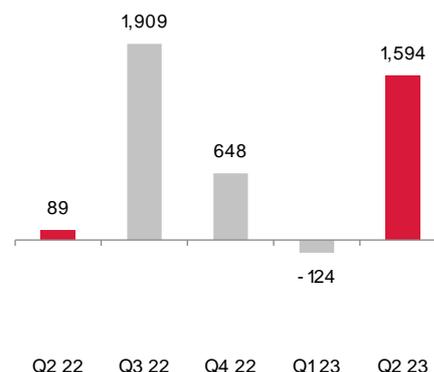
ASK
million



REVENUE
NOK million



EBITDAR
excl other losses/ (gains), NOK million



Norwegian delivered profit before tax (EBT) of NOK 538 million in second quarter characterised by strong operational performance amidst ramp-up into the busy summer travel season

Norwegian today reported its results for the second quarter and the first half year of 2023. The figures demonstrate Norwegian's ability to increase capacity into the busy summer travel season and deliver operational performance as one of the top performing airlines in Europe. The company has also formed new partnerships with the announced acquisition of Widerøe and the loyalty programme collaboration with Strawberry and Avida, partnerships which will add significant value for Norwegian's customers going forward.

For the second quarter of 2023, Norwegian delivered an operating profit (EBIT) of NOK 651 million. Profit before tax (EBT) amounted to NOK 538 million. The liquidity position improved through the quarter with cash and cash equivalents exceeding NOK 9.3 billion. At quarter-end, Norwegian's fleet comprised 81 aircraft.

Norwegian had 5.6 million passengers in the quarter, up from 5.0 million passengers in the second quarter of 2022. Production (ASK) was 8.7 billion seat kilometres, while passenger traffic (RPK) was 7.3 billion seat kilometres. Production was up 44 percent from the previous quarter as Norwegian ramped up capacity ahead of the busy summer travel season. The quarterly load factor was 84.4 percent, up from 81.2 percent in the same period last year.

Punctuality, share of flights departing on schedule, was 81.5 percent in the quarter, up from 78.8 percent in the same period last year. Regularity, share of flights taking place, was 99.5 percent. Cirium, the global aviation consultancy, named Norwegian the most on-time European airline in May. In April, June and July, Norwegian finished among the top three European performers.

"This quarter has demonstrated our ability to ramp up capacity and deliver operational performance as one of the absolute top airlines in Europe. This has been possible thanks to our dedicated colleagues that ensure our passengers arrive to their destinations as smooth as possible. By solely utilising Norwegian aircraft operated by our own crew, in contrast to other airlines that have relied on wet lease capacity this summer, we meet all customers the Norwegian way with a strong value offering. The summer season of 2023 will be one the best in our history and I am happy that forward bookings remain strong with business travel returning and others planning their autumn holidays", said Geir Karlsen, CEO of Norwegian.

In April, Norwegian announced a landmark partnership with Norsk e-Fuel to build the world's first full scale e-fuel plant in Mosjøen, Norway. The plant will produce sustainable aviation fuels (SAF). The partnership is estimated to secure approximately 20 percent of Norwegian's total demand for SAF by 2030. In addition, Norwegian will invest more than NOK 50 million for a minority equity stake in the company.

Creating a loyalty programme ecosystem with partners

In June, Norwegian announced a new partnership with Strawberry, formerly Nordic Choice Hotels, to establish a joint company for loyalty programmes. This joint company today reached its next milestone with the announcement that KKR majority owned Avida Finans AB will become the preferred financial partner, developing next generation financial services to more than 7 million members. Upon completion, which is subject to a set of conditions including regulatory approval, Norwegian and Strawberry will hold equal ownership in the loyalty company, while Avida will acquire a stake of close to 2 percent. Norwegian expects to record an associated non-recurring gain of approximately NOK 800 million upon final closing, expected to take place in the fourth quarter of 2023.

Widerøe transaction supportive for Norwegian's future

In July, Norwegian announced that it had entered into an agreement to acquire Widerøe, the regional Norwegian carrier, for a cash consideration of NOK 1,125 million, subject to certain closing conditions. The transaction will create an improved customer offering with better connectivity and seamless end-to-end experience. In addition, the acquisition will be accretive to shareholders through linking of the complimentary route networks together and realisation of significant operational synergies. Closing of the transaction, which is subject to approval by the Norwegian Competition Authority, is expected by the end of the fourth quarter of 2023.

Norwegian's customers highly value the airline's strong operational performance and the attractive and growing route network. The acquisition of Widerøe and the development of a joint platform for loyalty programmes with attractive partners will further ensure that Norwegian remains a preferred travel partner throughout the Nordics.

Ensuring that Norwegian has a capital structure fit-for-purpose is a key priority for the Board of Directors of Norwegian. Having undergone a successful transformation since the reconstruction, Norwegian is today a strong business able to adapt to an ever-evolving trading landscape. The Board has initiated a process to ensure that the company's capital structure reflects this, a process that also looks to enable for a potential dividend distribution. As part of this process, it has been concluded to exercise the call option to redeem the NAS13 bond.

CONSOLIDATED FINANCIAL KEY FIGURES

<i>(unaudited in NOK million)</i>	Q2 2023	Q2 2022	Change	H1 2023	H1 2022	Change	Full Year 2022
Operating revenue	6,871.4	4,868.5	41 %	10,846.3	6,784.7	60 %	18,869.3
EBITDAR*	1,568.5	93.4	1,579 %	1,414.0	-211.8	NM	2,363.4
EBITDAR excl other losses/(gains)*	1,593.7	88.5	1,700 %	1,469.6	-201.2	NM	2,356.1
Operating profit (EBIT)	650.5	1,358.5	-52 %	-266.0	509.9	NM	1,502.3
EBIT excl other losses/(gains)	675.7	1,353.6	-50 %	-210.3	520.5	NM	1,495.0
Profit (loss) before tax (EBT)	538.0	1,248.3	-57 %	-453.5	217.0	NM	1,046.4
Net profit (loss)	537.9	1,248.3	-57 %	-455.0	214.7	NM	1,005.5
EBITDAR margin	22.8 %	1.9 %		13.0 %	-3.1 %		12.5 %
EBIT margin	9.5 %	27.9 %		-2.5 %	7.5 %		8.0 %
EBT margin	7.8 %	25.6 %		-4.2 %	3.2 %		5.5 %
Net profit margin	7.8 %	25.6 %		-4.2 %	3.2 %		5.3 %
Book equity per share (NOK)				3.9	3.9	-2 %	4.5
Equity ratio (%)				12.2 %	15.1 %	-2.9 pp	18.5 %
Cash and cash equivalents				9,349.3	7,542.6	24 %	7,759.0
Net interest-bearing debt				3,667.9	2,732.0	34 %	2,326.3

*For further information regarding adjustments relating to change in accounting policy please refer to note 12.

OPERATIONAL REVIEW

CONSOLIDATED TRAFFIC FIGURES AND RATIOS

<i>(unaudited ratios in NOK)</i>	Q2 2023	Q2 2022	Change	H1 2023	H1 2022	Change	Full Year 2022
Yield - ticket revenue	0.76	0.64	19 %	0.72	0.60	20 %	0.67
Yield - total	0.90	0.77	17 %	0.85	0.72	18 %	0.79
Unit revenue - ticket	0.65	0.52	24 %	0.60	0.48	25 %	0.56
Unit revenue - total	0.76	0.62	22 %	0.71	0.57	23 %	0.66
Unit cost	0.71	0.74	-3 %	0.75	0.73	3 %	0.71
Unit cost excl fuel	0.48	0.43	11 %	0.51	0.47	8 %	0.44
Ancillary revenue per passenger	178	158	13 %	171	157	9 %	161
ASK (million)	8,702	7,627	14 %	14,744	11,498	28 %	27,382
RPK (million)	7,348	6,190	19 %	12,234	9,166	33 %	22,757
Passengers (million)	5.60	4.96	13 %	9.41	7.18	31 %	17.84
Load factor	84.4 %	81.2 %	3.2 pp	83.0 %	79.7 %	3.3 pp	83.1 %
Average sector length (km)	1,214	1,147	6 %	1,181	1,151	3 %	1,168
Fuel consumption (1,000 mt)	174	154	13 %	298	231	29 %	555
CO ₂ per RPK	75	78	-5 %	77	79	-3 %	77

TRAFFIC DEVELOPMENT

Passenger demand for air travel grew significantly through the quarter as Norwegian ramped up capacity into the busy summer travel season. In July, Norwegian recorded a strong load factor of 92.4 percent and a historically high unit revenue. For the second quarter of 2023, Norwegian had 5.6 million passengers, 640,000 more passengers than in the second quarter of 2022. Production (ASK) for the quarter was 8,072 million kilometres, up 14 percent from the same period last year. Compared to the previous quarter, production was up 44 percent as the company ramped up production after the seasonally quieter winter season. Passenger traffic (RPK) was 7,348 million kilometres, while the load factor was 84.4 percent, up from 81.2 percent in the same period last year.

At the end of the second quarter of 2023, the total fleet comprised 81 aircraft, with 74 aircraft on average being utilised during the quarter. Each aircraft was on average utilised 11.4 block hours per day, down from 11.7 block hours per day in the same period last year.

OPERATING PERFORMANCE

Punctuality, share of flights departing on schedule, was 81.5 percent in the second quarter of 2023, an improvement from 78.8 percent in the second quarter of 2022. Share of flights arriving within one hour of scheduled arrival time was 96.1 percent.

Regularity, share of flights taking place, was 99.5 percent in the quarter, an improvement from 99.4 percent in the same period last year.

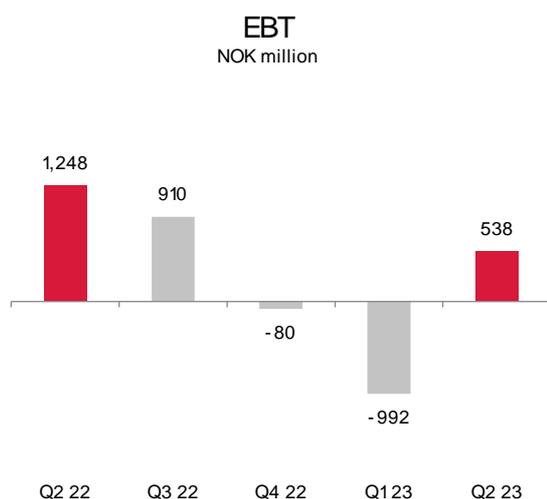
FINANCIAL REVIEW

Norwegian is experiencing strong demand across markets through the busy summer travel season with strong load factors and improving yields. The second quarter results are affected by macroeconomic uncertainty, predominantly relating to the weakening of NOK against the USD and EUR.

EBITDAR was NOK 1,569 million in the second quarter of 2023, compared to NOK 93 million in the second quarter of 2022. EBITDAR excl. other losses/(gains) was NOK 1,594 million, compared to NOK 89 million in the same period last year. Other losses/(gains) amounted to a net loss of NOK 25 million, primarily related to currency loss from the translation of working capital in foreign currency.

Operating profit (EBIT) was NOK 651 million in the quarter, compared to NOK 1,359 million in the second quarter of 2022. Operating profit in the second quarter of 2022 was positively impacted by NOK 2,099 million relating to the reinstatement of pre-delivery payments (PDP) following the completion of an aircraft purchase order with Boeing. Operating profit (EBIT) excluding other losses/(gains) was NOK 676 million, compared to NOK 1,354 million in the same period last year.

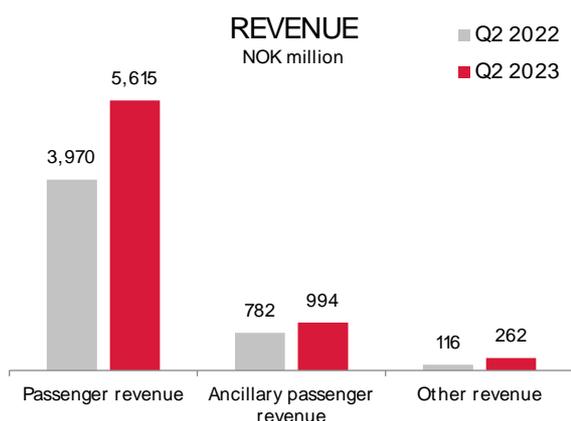
Profit before tax (EBT) was NOK 538 million, compared to NOK 1,248 million in the same period last year.



REVENUE

Total operating revenue in the second quarter of 2023 increased to NOK 6,871 million from NOK 4,868 million in the second quarter of 2022. Passenger ticket revenue was NOK 5,615 million, compared to NOK 3,970 million in the same period last year. Ancillary passenger revenue was NOK 995 million, compared to NOK 782 million in the same period last year. Other revenue primarily relates to commission from in-flight sales and revenue from the loyalty programme 'Norwegian Reward', and amounted to NOK 262 million, up from NOK 116 million in the same period last year. Other revenue was positively impacted by estimated redemption and expiration of CashPoints issued during the COVID-19 pandemic that have a validity until the end of 2023.

Unit ticket revenue in the quarter was NOK 0.65, compared to NOK 0.52 in the same period last year. Unit revenue including flight related ancillary revenues was NOK 0.76. Ticket revenue yield was NOK 0.76, compared to NOK 0.64 in the same period last year. Yield including flight related ancillary revenue was NOK 0.90. Ancillary revenue per passenger was NOK 178, compared to NOK 158 in the same period last year.



OPERATING EXPENSES

Total operating expenses excluding aircraft lease, depreciation and amortization amounted to NOK 5,303 million in the second quarter of 2023, an increase of 4 percent from the second quarter of 2022. Total operating expenses adjusted for other losses/(gains) amounted to NOK 5,278 million. Aviation fuel amounted to NOK 2,051 million and includes NOK 75 million in realised loss on jet fuel hedging. Aviation fuel accounted for 39 percent of total operating expenses excluding aircraft lease, depreciation and amortization.

Unit cost, which excludes other losses/(gains) and includes aircraft lease, depreciation and amortization, was NOK 0.71 in the quarter, down from NOK 0.74 in the same period last year. Unit cost excluding fuel was NOK 0.48, up from NOK 0.43 in the same period last year. Unit cost excluding fuel was negatively impacted by the weakening of NOK against USD and EUR, in addition to inflationary impacts on both supplier costs and salaries.

LEASE AND RENTAL EXPENSES

Aircraft lease, depreciation and amortization amounted to NOK 918 million in the quarter, compared to NOK 834 million in the same period last year. Aircraft lease, depreciation and amortisation also includes depreciation related to heavy maintenance following a change in accounting policy from the first quarter of 2023. Please refer to note 12 for additional information.

FINANCIAL ITEMS

Net financial items amounted to a net loss of NOK 112 million in the quarter, compared to a net loss of NOK 110 million in the same period last year. Interest expenses amounting to NOK 213 million for the quarter included NOK 135 million on lease liabilities recognised according to IFRS 16. Interest income amounted to NOK 54 million in the quarter, while other financial income (expense) amounted to a net gain of NOK 46 million.

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 the second quarter of 2023 amounted to NOK 3,668 million, compared to NOK 2,732 million at the end of the second quarter of 2022. Compared to the end of the previous quarter, net interest-bearing debt decreased by NOK 412 million, predominately a result of the increase in cash and cash equivalents this quarter. A total of 81 aircraft were accounted for in the balance sheet through leased and owned aircraft, up from 79 aircraft at the end of the previous quarter. Included in net interest-bearing debt is the zero coupon Retained Claims Bond, amounting to NOK 2,502 million at the end of the quarter.

Equity amounted to NOK 3,707 million at the end of the quarter, up from NOK 3,654 million at the end of the same period last year. The corresponding equity ratio was 12.2 percent. Compared to the previous quarter, the equity ratio increased by 1.1 percentage points, predominantly a result of the positive net result after tax this quarter.

Total non-current assets amounted to NOK 16,450 million at the end of the quarter, compared to NOK 12,203 at the end of the same period last year and NOK 15,818 million at the end of the previous quarter.

Intangible assets amounted to NOK 2,113 million at the end of the quarter and was predominately comprised of deferred tax assets amounting to NOK 1,901 million.

Tangible assets amounted to NOK 13,669 million at the end of the quarter, compared to NOK 9,834 million at the end of the same period last year and NOK 13,207 million at the end of the previous quarter, and was predominately comprised of owned aircraft, right of use assets for leased aircraft and prepayment for ordered aircraft. Prepayment for ordered aircraft amounted to NOK 3,210 million and relate to the purchase order of 50 Boeing 737 MAX 8 aircraft.

Total current assets amounted to NOK 13,870 million at the end of the quarter, compared to NOK 11,948 million at the end of the same period last year and NOK 12,572 million at the end of the previous quarter. Holdback as share of air traffic settlement liabilities was 29 percent, a reduction from 32 percent at the end of the previous quarter.

Cash and cash equivalents increased to NOK 9,349 million at the end of the quarter, corresponding to an increase of NOK 1,807 million from the end of the same period last year and an increase of NOK 721 million from the end of the previous quarter.

Total non-current liabilities amounted to NOK 14,048 million at the end of the quarter, compared to NOK 10,636 million at the end of the same period last year and NOK 13,385 million at the end of the previous quarter.

Total current liabilities amounted to NOK 12,565 million at the end of the quarter, compared to NOK 9,860 million at the end of the same period last year and NOK 11,837 million at the end of the previous quarter.

Air traffic settlement liabilities increased to NOK 6,416 million at the end of the quarter, up from NOK 4,805 at the end of the same period last year and NOK 6,160 million at the end of the previous quarter.

Other current liabilities amounted to NOK 4,317 million at the end of the quarter, of which CashPoint liabilities amounted to NOK 926 million.

Equity at the end of the quarter amounted to NOK 3,707 million, compared to NOK 3,654 million at the end of the same period last year and NOK 3,168 million at the end of the previous quarter.

CASH FLOW

Cash and cash equivalents amounted to NOK 9,349 million at the end of the second quarter of 2023, an increase of NOK 1,807 million from the end of the second quarter of 2022. Compared to the previous quarter, cash and cash equivalents increased by NOK 721 million.

Cash flow from operating activities in the quarter amounted to positive NOK 1,495 million, compared to positive NOK 556 million in the same period last year. Air traffic settlement liabilities increased by NOK 256 million during the quarter while receivables increased by NOK 458 million. Other adjustments amounted to positive NOK 247 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 the first half year of 2023, cash flow from operating activities amounted to positive NOK 3,108 million, compared to NOK 663 million in the same period last year.

Cash flow from investing activities in the quarter amounted to negative NOK 33 million, compared to negative NOK 141 million in the same period last year.

For the first half year of 2023, cash flow from investing activities amounted to negative NOK 232 million, compared to negative NOK 128 million in the same period last year.

Cash flow from financing activities in the quarter amounted to negative NOK 760 million, compared to negative NOK 540 million in the same period last year. Down payment of the NAS13 bond amounted to NOK 122 million during the quarter.

For the first half year of 2023, cash flow from financing activities amounted to negative NOK 1,330 million, compared to negative NOK 690 million in the same period last year. Repurchase of the Retained Claims Bonds amounted to NOK 352 million during the period.

RISK AND UNCERTAINTIES

Norwegian is exposed to several risk factors such as market risk, operational risk, financial risk, liquidity risk and climate-related risks. Future demand for air travel is dependent on sustained consumer and business confidence in key markets. Demand for air travel is subject to strong seasonal variations. Adverse effects in relation to new coronavirus variants, the onset of other pandemics or unforeseen security events may impact the company's operations.

The current macroeconomic environment is uncertain with volatile 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. The company has reduced its exposure to fluctuations in fuel prices through derivative contracts and have hedged over 50 percent of estimated fuel consumption for the remainder of the current year and 20 percent for 2024 at levels considerably below current forward prices.

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 2022: 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 28: Contingencies and Legal Claims. Note 13 to this interim report includes updates to contingencies and legal claims.

OUTLOOK

Norwegian is experiencing positive demand trends across key markets. For the summer 2024 season, the airline is increasing its fleet to 91 aircraft ahead to match increasing demand for the company's air travel offering and to benefit from increasing scale.

For 2023, the company is targeting an overall production (ASK) of 32,500 million seat kilometres. For the upcoming winter season, the company plans to cut capacity by 30 to 40 percent to match production to seasonal changes in demand and reduce cash burn during the low season. In light of the inflationary impact on both supplier costs and salaries, and the weakening of NOK against USD and EUR, the company does not expect to reach its target of a reduction in unit cost excluding fuel compared to the previous year. The company maintains a high cost focus and has achieved significant advances relating to improved operational efficiency during 2023. Unit revenue is forecasted to increase significantly compared to the previous year, supported by the summer 2023 season being one of the strongest in Norwegian's history.

Current booking momentum remains strong with many customers booking their autumn holidays and business travellers placing high value on Norwegian's strong operational performance. Bookings and visibility for the fourth quarter and thereafter is limited, as is to be expected at this time of the year. While there is no sign of weakness in forward bookings, the company is mindful of demand uncertainties following potential weaknesses in consumer confidence.

With strong brand loyalty, a solid organisation and a robust financial situation, Norwegian is well positioned to solidify its position as a leading Nordic airline. The contemplated acquisition of Widerøe and the forming of a joint loyalty company with Strawberry and Avida is expected to add significant value to customers and other stakeholders going forward. This, together with the ongoing process to ensure that Norwegian has a capital structure that reflects the strength of the company, will further support the company's favourable outlook.

Fornebu, 23 August 2023

Board of Directors
Norwegian Air Shuttle ASA

CONDENSED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

<i>(unaudited in NOK million)</i>	Note	Q2 2023	Q2 2022	H1 2023	H1 2022	Full Year 2022
Passenger revenue		5,615.0	3,970.0	8,805.6	5,482.7	15,197.7
Ancillary passenger revenue		994.5	782.3	1,598.1	1,126.8	2,870.0
Other revenue		261.8	116.2	442.6	175.3	801.6
Total operating revenue		6,871.4	4,868.5	10,846.3	6,784.7	18,869.3
Personnel expenses		1,071.0	782.4	1,991.1	1,415.0	2,884.8
Aviation fuel		2,051.0	2,338.4	3,589.6	2,972.2	7,371.4
Airport and ATC charges		777.7	584.9	1,266.5	856.3	2,095.5
Handling charges		553.5	482.2	961.1	658.5	1,668.7
Technical maintenance expenses	12	191.5	116.2	349.8	226.3	556.4
Other operating expenses		632.9	475.7	1,218.5	857.6	1,936.2
Other losses/(gains)		25.2	-4.9	55.7	10.6	-7.3
Total operating expenses excl lease, depr. and amort.	12	5,302.9	4,775.1	9,432.4	6,996.5	16,505.9
Operating profit excl lease, depr. and amort. (EBITDAR)	12	1,568.5	93.4	1,414.0	-211.8	2,363.4
Aircraft lease, depreciation and amortization	12	918.0	834.3	1,679.9	1,377.7	2,960.5
Reversal of impairment loss regarding prepayment on aircraft		0.0	-2,099.4	0.0	-2,099.4	-2,099.4
Operating profit (EBIT)		650.5	1,358.5	-266.0	509.9	1,502.3
Interest income		54.3	4.3	83.6	21.7	72.6
Interest expense		212.6	151.9	374.9	317.4	650.0
Other financial income (expense)		45.8	37.4	103.7	2.8	121.6
Net financial items		-112.5	-110.2	-187.6	-292.9	-455.9
Profit (loss) before tax (EBT)		538.0	1,248.3	-453.5	217.0	1,046.4
Income tax expense (income)		0.2	0.0	1.4	2.3	41.0
Net profit (loss)		537.9	1,248.3	-455.0	214.7	1,005.5
Net profit (loss) attributable to:						
Owners of the parent company		537.9	1,248.3	-455.0	214.7	1,005.5
Basic earnings per share (NOK)		0.54	1.32	-0.56	0.19	0.99
Diluted earnings per share (NOK)		0.48	1.11	-0.56	0.19	0.89

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(unaudited in NOK million)</i>	Q2 2023	Q2 2022	H1 2023	H1 2022	Full Year 2022
Net profit (loss) for the period	537.9	1,248.3	-455.0	214.7	1,005.5
Actuarial gains and losses	0.0	0.0	0.0	0.0	-6.8
Exchange rate differences	69.9	175.0	178.2	205.4	13.7
Fair value adjustments through OCI	-2.3	0.0	-155.3	0.0	-1.8
Other	0.0	-3.4	0.0	-3.4	0.0
Total comprehensive income for the period	605.4	1,419.9	-432.1	416.7	1,010.5
Total comprehensive income attributable to: Owners of the company	605.4	1,419.9	-432.1	416.7	1,010.5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(unaudited in NOK million)</i>	Note	30 JUN 2023	30 JUN 2022	31 DEC 2022
ASSETS				
Intangible assets		2,112.6	2,081.6	2,089.7
Tangible assets	7	13,669.3	9,834.3	10,077.9
Other non-current assets		668.4	287.1	457.1
Total non-current assets		16,450.3	12,203.1	12,624.7
Inventory		198.9	74.2	81.3
Receivables		4,321.5	4,330.7	2,204.7
Cash and cash equivalents		9,349.3	7,542.6	7,759.0
Total current assets		13,869.6	11,947.5	10,044.9
TOTAL ASSETS		30,319.9	24,150.6	22,669.6
EQUITY AND LIABILITIES				
Shareholder's equity	9	3,706.8	3,653.7	4,203.4
Total equity		3,706.8	3,653.7	4,203.4
Non-current debt	8	11,184.9	8,973.8	8,696.2
Other non-current liabilities		2,862.8	1,662.6	2,146.1
Total non-current liabilities		14,047.7	10,636.4	10,842.3
Air traffic settlement liabilities		6,415.8	4,805.0	2,548.5
Current debt	8	1,832.3	1,300.9	1,389.1
Other current liabilities		4,317.4	3,754.6	3,686.3
Total current liabilities		12,565.5	9,860.5	7,623.9
Total liabilities		26,613.1	20,496.9	18,466.2
TOTAL EQUITY AND LIABILITIES		30,319.9	24,150.6	22,669.6

CONSOLIDATED STATEMENT OF CASH FLOW

<i>(unaudited in NOK million)</i>	Q2 2023	Q2 2022	H1 2023	H1 2022	Full Year 2022
OPERATING ACTIVITIES					
Profit before tax	538.0	1,248.3	-453.5	217.0	1,046.4
Paid taxes	-0.6	-2.1	-0.7	-2.1	-37.0
Depreciation, amortization and impairment	913.4	-1,445.0	1,623.0	-968.6	412.4
Changes in air traffic settlement liabilities	255.7	1,192.0	3,867.3	3,480.8	1,224.3
Changes in receivables	-458.4	-942.7	-2,109.2	-2,208.2	-82.2
Other adjustments	246.5	505.5	181.3	144.4	-138.2
Net cash flows from operating activities	1,494.6	556.0	3,108.2	663.3	2,425.7
INVESTING ACTIVITIES					
Purchases, proceeds and prepayment of tangible assets	-16.7	-140.5	-201.7	-127.6	-781.8
Other investing activities	-16.4	0.0	-29.8	0.0	-19.6
Net cash flows from investing activities	-33.1	-140.5	-231.5	-127.6	-801.3
FINANCING ACTIVITIES					
Loan proceeds	0.0	0.0	152.1	0.0	0.0
Principal repayments	-541.7	-417.1	-1,159.2	-484.8	-1,109.9
Financing costs paid	-218.5	-115.6	-322.6	-197.3	-443.7
Paid dividend to creditors	0.0	-7.4	0.0	-7.4	-7.6
Net cash flows from financing activities	-760.2	-540.1	-1,329.6	-689.5	-1,561.1
Net change in cash and cash equivalents	701.3	-124.6	1,547.1	-153.8	63.2
Foreign exchange effect on cash	20.0	132.4	43.3	1.7	1.0
Cash and cash equivalents at beginning of period	8,628.0	7,534.8	7,759.0	7,694.8	7,694.8
Cash and cash equivalents at end of period	9,349.3	7,542.6	9,349.3	7,542.6	7,759.0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(unaudited in NOK million)</i>	H1 2023	H1 2022	Full Year 2022
Equity - Beginning of period	4,203.4	3,269.6	3,269.6
Total comprehensive income for the period	-432.1	416.7	1,010.5
Share issue	291.1	13.8	13.8
Perpetual bonds issue and conversions	-291.1	-13.8	-13.8
Interest payment on perpetual bonds	-68.0	-32.7	-80.1
Equity change on employee options	3.5	0.1	3.3
Equity - End of period	3,706.8	3,653.7	4,203.4

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 2022 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 2022.

With effect from 1 January 2023, the company changed its accounting policy for major overhaul and inspection costs ("heavy maintenance") related to leased aircraft. The company is obliged to return leased aircraft according to the redelivery condition set in the lease agreement. Costs for heavy maintenance have previously been accrued for as maintenance provisions and charged to the Consolidated income statement based on the utilization and age of the aircraft. Such costs were presented under "Technical maintenance expenses" in the Consolidated income statement.

Heavy maintenance costs related to the recognition of maintenance provisions are capitalized as part of the right-of-use asset for leased aircraft. The capitalized amounts are immediately depreciated as the aircraft is utilized. The depreciation charge is presented under "Aircraft lease, depreciation and amortization" in the Consolidated income statement.

Management is of the opinion that the presentation of expenses for heavy maintenance on leased aircraft under "Aircraft lease, depreciation and amortization" provides more relevant information as the presentation of maintenance expenses for owned and leased aircraft is more aligned with the revised policy.

The change in accounting policy is applied retrospectively. Financial information for comparative periods disclosed in this report are adjusted as if the new accounting policy had always been applied. The retrospective application of the new accounting policy does not have any effect on the equity at the end of 2022. For details on the adjustments of comparative figures for 2022 see note 12.

All other 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 2022.

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.

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 2022.

The going concern basis of accounting is adopted in preparing these interim financial statements. Refer to the Risk 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 impairment indicators during the reporting period.

NOTE 2 RISK

SENSITIVITY ANALYSIS

<i>(unaudited in NOK million)</i>	<i>Effect on costs</i>
1% increase in jet fuel price	30
1% increase in USD against NOK	95

The sensitivity analysis for changes in the jet fuel price is based on expected consumption for the 12-month period from quarter-end after cash flow hedging effects. The sensitivity analysis for changes in USD against NOK is based on total operating expenses excluding other losses/(gains) and including interest expense for the 12-month period from quarter-end after cash flow hedging effects. Exposure to currencies other than USD is substantially offset through revenues in the same currencies.

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.

OPERATING REVENUE BY COUNTRY

<i>(unaudited in NOK million)</i>	Q2 2023	Q2 2022	Change	H1 2023	H1 2022	Change	Full Year 2022
Norway	2,651.2	2,057.0	29 %	4,309.8	2,929.6	47 %	7,330.9
Spain	1,001.5	587.9	70 %	1,714.5	972.4	76 %	2,734.7
Denmark	844.6	607.5	39 %	1,265.9	794.1	59 %	2,154.3
Sweden	804.6	580.7	39 %	1,154.8	755.3	53 %	1,976.8
United Kingdom	286.4	199.1	44 %	443.2	254.5	74 %	829.8
Finland	270.8	161.1	68 %	418.2	216.7	93 %	645.3
Italy	185.8	96.0	94 %	235.5	114.0	107 %	479.1
France	175.3	120.0	46 %	224.2	145.2	54 %	500.8
Germany	107.1	65.4	64 %	167.1	82.6	102 %	270.1
Poland	102.1	45.7	123 %	154.9	69.1	124 %	214.3
Other	441.9	348.3	27 %	758.2	451.1	68 %	1,733.2
Total operating revenue	6,871.4	4,868.5	41 %	10,846.3	6,784.7	60 %	18,869.3
Total outside of Norway	4,220.2	2,811.5	50 %	6,536.5	3,855.1	70 %	11,538.4

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 6 EARNINGS PER SHARE

<i>(unaudited in NOK million)</i>	Q2 2023	Q2 2022	H1 2023	H1 2022	Full year 2022
Profit attributable to the owners of the company before PIK interest	537.9	1,248.3	-455.0	214.7	1,005.5
Payment-in-kind interest and interests paid on perpetual bonds recognized in equity	-32.8	-18.8	-66.7	-35.3	-85.9
Profit attributable to the owners of the company after PIK interest	505.1	1,229.5	-521.7	179.4	919.6
Basic earnings per share (NOK)	0.54	1.32	-0.56	0.19	0.99
Diluted earnings per share (NOK)*	0.48	1.11	-0.56	0.19	0.89
<i>Specification of weighted average number of shares used in calculation of basic and diluted EPS</i>					
Ordinary shares for basic EPS	936,829,775	929,537,471	933,808,155	929,162,595	929,579,566
Perpetual bonds for diluted EPS	190,501,001	195,949,339	-	-	195,917,519
Weighted average number of ordinary shares diluted	1,127,330,776	1,125,486,810	933,808,155	929,162,595	1,125,497,085
<i>Antidilutive instruments that might become dilutive in future periods not included in calculation of the diluted earnings per share for the period</i>					
Perpetual bonds	-	-	163,262,914	194,591,678	-
Share options	3,511,296	1,014,300	3,511,296	1,014,300	3,511,296

*Shares which might become dilutive in future periods are only included in the calculation of diluted earnings per share in case they would reduce basic earnings per share for the period if they had been issued at the beginning of the period. Potentially dilutive shares which would increase basic earnings per share if they had been outstanding at the beginning of the period are considered antidilutive. They are not included in the calculation of diluted earnings per share for the period.

NOTE 5 INFORMATION ON RELATED PARTIES

For detailed information on related party transactions, please refer to Note 27 in the Annual Report for 2022. There have been no significant transactions with related parties during 2023.

NOTE 7 TANGIBLE ASSETS

<i>(unaudited in NOK million)</i>	30 JUN 2023	30 JUN 2022	31 DEC 2022
Predelivery payments	3,209.8	2,341.3	2,937.5
Owned aircraft, parts and installations on leased aircraft	1,339.3	1,089.0	1,087.5
Right of use assets aircraft and parts	8,578.0	5,860.8	5,522.0
Aircraft, parts and installations	9,917.3	6,949.8	6,609.5
Other tangible assets owned	367.3	350.3	350.8
Right of use assets other	174.8	193.0	180.1
Other tangible assets	542.1	543.3	530.9
Total tangible assets	13,669.3	9,834.3	10,077.9
Total right of use assets	8,752.8	6,053.8	5,702.1

NOTE 8 BORROWINGS

<i>(unaudited in NOK million)</i>	30 JUN 2023	30 JUN 2022	31 DEC 2022
Bond issue	2,820.6	3,079.0	3,188.7
Aircraft financing	906.6	772.9	726.8
Lease liabilities	7,376.8	4,990.3	4,646.2
Other non-current debt	80.9	131.6	134.5
Non-current debt	11,184.9	8,973.8	8,696.2
Bond issue	124.1	121.8	121.8
Aircraft financing	86.2	75.8	76.7
Lease liabilities	1,584.1	1,103.3	1,190.6
Other current debt	37.8	0.0	0.0
Current debt	1,832.3	1,300.9	1,389.1
Total borrowings	13,017.1	10,274.7	10,085.3

NOTE 9 SHAREHOLDER INFORMATION

20 largest shareholders at 30 June 2023*

Name	Country	Number of shares	Percent
1 Geveran Trading Company, Ltd.	Cyprus	114,800,512	11.9 %
2 Sundt AS	Norway	94,528,088	9.8 %
3 Folketrygdfondet	Norway	45,793,605	4.8 %
4 Silver Point Capital, L.P.	United States	39,745,000	4.1 %
5 Ballyfin Aviation Limited	Ireland	31,472,703	3.3 %
6 Nordnet Bank AB	Norway	30,686,184	3.2 %
7 Avanza Bank AB	Sweden	23,398,252	2.4 %
8 Handelsbanken Kapitalförvaltning AB	Sweden	18,632,175	1.9 %
9 Keskinäinen eläkevakuutusyhtiö Varma	Finland	15,500,000	1.6 %
10 Goldman Sachs Asset Management, L.P.	United States	14,109,920	1.5 %
11 DWS Investments UK Limited	United Kingdom	13,182,761	1.4 %
12 KLP Fondsforvaltning AS	Norway	12,361,393	1.3 %
13 Contrarian Capital Management, LLC	United States	12,255,380	1.3 %
14 DNB Asset Management AS	Norway	11,869,324	1.2 %
15 Barclays Capital	United Kingdom	11,350,286	1.2 %
16 BlackRock Institutional Trust Company, N.A.	United States	11,130,733	1.2 %
17 Goldman Sachs International	United Kingdom	9,855,670	1.0 %
18 Svelland Capital (UK) Ltd	United Kingdom	8,581,790	0.9 %
19 Brumm AS	Norway	8,285,480	0.9 %
20 JPMorgan Chase Bank GTS	United Kingdom	8,281,834	0.9 %
Top 20 shareholders		535,821,090	55.7 %
Other shareholders		425,697,682	44.3 %
Total number of shares		961,518,772	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 2023 there have been three conversions of perpetual bonds, where a total of NOK 291.1 million have been converted. The company have issued total 31,529,033 new shares in these conversions.

Norwegian Air Shuttle ASA had a total of 961,518,772 shares outstanding as of 30 June 2023. There were 80,252 shareholders at the end of the second quarter of 2023.

NOTE 10 FAIR VALUE ESTIMATION

<i>(unaudited in NOK million)</i>	30 JUN	30 JUN	31 DEC	31 DEC
	2023	2023	2022	2022
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at fair value through OCI	30.7	30.7	19.9	19.9
Financial assets at amortized cost	13,729.0	13,729.0	9,859.5	9,859.5
Total financial assets	13,759.7	13,759.7	9,879.4	9,879.4
Financial liabilities				
Financial liabilities at fair value through OCI	187.9	187.9	21.7	21.7
Financial liabilities at amortized cost	16,057.2	15,941.4	12,352.7	12,232.0
Total financial liabilities	16,245.0	16,129.2	12,374.4	12,253.7

Financial instruments which are measured in the statement of financial position at fair value, require disclosures of fair value measurements by the following levels of fair value measurement hierarchy:

Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices of the reporting date. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regular occurring market transactions on an arm's length basis. The company had no financial instruments in this category at 30 June 2023 or 31 December 2022.

Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. Financial instruments in level 2 include forward contracts classified as derivatives. The fair value of forward commodity contracts is determined using mark to market values from financial institutions. Spot prices in the mark to market calculations are based on mid-prices as set by the financial institutions at the reporting date.

Level 3

If one or more of the significant inputs are not based on observable market data, specific valuation techniques are applied. The company had no financial instruments in this category at 30 June 2023 or 31 December 2022.

The following table presents financial assets and liabilities measured at fair value:

<i>(unaudited in NOK million)</i>	30 JUN 2023	31 DEC 2022
	Level 2	Level 2
Financial assets		
- Derivative financial assets, non-current	3.2	-
- Derivative financial assets, current	27.5	19.9
Total financial assets at fair value through OCI	30.7	19.9
Financial liabilities		
- Derivative financial liabilities, non-current	22.1	-
- Derivative financial liabilities, current	165.7	21.7
Total liabilities at fair value through OCI	187.9	21.7

NOTE 11 QUARTERLY DATA

<i>(unaudited in NOK million)</i>	Q1 2023	Q2 2023	H1 2023
Passenger revenue	3,190.6	5,615.0	8,805.6
Ancillary passenger revenue	603.6	994.5	1,598.1
Other revenue	180.7	261.8	442.6
Total operating revenue	3,975.0	6,871.4	10,846.3
Personnel expenses	920.1	1,071.0	1,991.1
Aviation fuel	1,538.6	2,051.0	3,589.6
Airport and ATC charges	488.8	777.7	1,266.5
Handling charges	407.6	553.5	961.1
Technical maintenance expenses	158.3	191.5	349.8
Other operating expenses	585.6	632.9	1,218.5
Other losses/(gains)	30.5	25.2	55.7
Total operating expenses excl lease, depr. and amort.	4,129.5	5,302.9	9,432.4
Operating profit excl lease, depr. and amort. (EBITDAR)	-154.5	1,568.5	1,414.0
Aircraft lease, depreciation and amortization	762.0	918.0	1,679.9
Reversal of impairment loss regarding prepayment on aircraft	0.0	0.0	0.0
Operating profit (EBIT)	-916.5	650.5	-266.0
Interest income	29.3	54.3	83.6
Interest expense	162.3	212.6	374.9
Other financial income (expense)	57.9	45.8	103.7
Net financial items	-75.1	-112.5	-187.6
Profit (loss) before tax (EBT)	-991.6	538.0	-453.5
Income tax expense (income)	1.3	0.2	1.4
Net profit (loss)	-992.8	537.9	-455.0

NOTE 12 ADJUSTMENTS OF COMPARATIVE FINANCIAL INFORMATION

Following the change in accounting policy for heavy maintenance on leased aircraft in the first quarter of 2023, financial information for comparative periods disclosed in this report are adjusted as if the new accounting policy had always been applied. The change in accounting policy does not have any effect on the consolidated statement of financial position as reported in 2022. In the consolidated income statement, Total operating

expenses excl lease, depreciation and amortization are reduced. EBITDAR and Aircraft lease, depreciation and amortization increased with the same amounts. In the consolidated statement of cash flow, Depreciation, amortization and impairment and Other adjustment within Net cash flows from operating activities are adjusted.

The adjustments of comparative figures for 2022 are presented below:

CONSOLIDATED INCOME STATEMENT

<i>(unaudited in NOK million)</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
Technical maintenance expenses, previously reported	272.7	423.9	502.6	466.6	1,665.9
Technical maintenance expenses, adjusted	110.1	116.2	162.4	167.7	556.4
<i>Change</i>	-162.7	-307.7	-340.2	-298.9	-1,109.4
Total operating expenses excl lease, depr. and amort., previously reported	2,384.1	5,082.7	5,589.5	4,559.0	17,615.3
Total operating expenses excl lease, depr. and amort., adjusted	2,221.4	4,775.1	5,249.3	4,260.1	16,505.9
<i>Change</i>	-162.7	-307.7	-340.2	-298.9	-1,109.4
EBITDAR, previously reported	-467.9	-214.2	1,526.1	410.0	1,254.0
EBITDAR, adjusted	-305.2	93.4	1,866.3	708.9	2,363.4
<i>Change</i>	162.7	307.7	340.2	298.9	1,109.4
Aircraft lease, depreciation and amortization, previously reported	380.7	526.6	494.3	449.3	1,851.0
Aircraft lease, depreciation and amortization, adjusted	543.4	834.3	834.5	748.3	2,960.5
<i>Change</i>	162.7	307.7	340.2	298.9	1,109.4
Operating profit (EBIT), previously reported	-848.6	1,358.5	1,031.8	-39.3	1,502.3
Operating profit (EBIT), adjusted	-848.6	1,358.5	1,031.8	-39.3	1,502.3
<i>Change</i>	0.0	0.0	0.0	0.0	0.0

CONSOLIDATED STATEMENT OF CASH FLOW

<i>(unaudited in NOK million)</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
OPERATING ACTIVITIES					
Depreciation, amortization and impairment, previously reported	313.8	-1,752.7	386.8	355.1	-697.1
Depreciation, amortization and impairment, adjusted	476.5	-1,445.0	727.0	654.0	412.4
<i>Change</i>	162.7	307.7	340.2	298.9	1,109.4
Other adjustments, previously reported	-198.6	813.2	508.1	-151.5	971.2
Other adjustments, adjusted	-361.2	505.5	167.9	-450.4	-138.2
<i>Change</i>	-162.7	-307.7	-340.2	-298.9	-1,109.4
Net cash flows from operating activities, previously reported	107.2	556.0	1,706.6	55.8	2,425.7
Net cash flows from operating activities, adjusted	107.2	556.0	1,706.6	55.8	2,425.7
<i>Change</i>	0.0	0.0	0.0	0.0	0.0

ALTERNATIVE PERFORMANCE MEASURES

<i>(unaudited in NOK million)</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
EBITDAR excl other losses/(gains), reported	-452.4	-219.1	1,568.7	349.4	1,246.7
EBITDAR excl other losses/(gains), adjusted	-289.7	88.5	1,908.9	648.4	2,356.1
<i>Change</i>	162.7	307.7	340.2	298.9	1,109.4

NOTE 13 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 380 million at the end of the second quarter of 2023. 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. In June 2023, Oslo District Court decided to submit the case to the EFTA Court for consultation on the EU/EEA law implications of the matter. It is currently assumed that the EFTA Court will provide an advisory opinion during the third or the fourth quarter of 2024. Subsequently, the proceedings in the Oslo District Court will resume.

The legal issue concerning treatment of emission allowances in insolvency has never been tried in court before. As a consequence of the Reconstruction, the amount corresponding to the contemplated market value of such allowances was crammed down and the company has a provision of NOK 15 million at the end of the second quarter of 2023. The company has paid the ETS penalty fee in 2023 and will seek a return of this amount plus interest following a final conclusion.

There are no other significant additions or changes to the information regarding contingencies or legal claims presented in Note 28 to the Annual Financial Statements for 2022.

NOTE 14 PARTNERSHIP AGREEMENT WITH STRAWBERRY

On 27 June 2023, Norwegian entered into a partnership agreement with Strawberry (former Nordic Choice Hotels) to connect the companies' respective loyalty programmes in a jointly held stand-alone entity. Closing of the transaction is expected to take place in the fourth quarter of 2023.

At closing, which is subject to a set of conditions including regulatory approval, Norwegian will recognize an equity investment in the jointly held entity. The liabilities related to CashPoints issued before closing of the transaction will remain with Norwegian. Norwegian expects to recognize a net gain of approximately NOK 800 million from the transaction.

NOTE 15 EVENTS AFTER THE REPORTING PERIOD

On 6 July 2023, Norwegian announced that it has entered into an agreement to acquire the major regional carrier Widerøe for a cash consideration of NOK 1,125 million. The purchase price is subject to certain adjustments to be determined after closing and will be financed through available funds. Closing of the transaction is expected by the end of the fourth quarter of 2023, and is subject to certain closing conditions, including a regulatory review process from the Norwegian Competition Authorities.

There have been no other events subsequent to the reporting period that might have a significant effect on the financial report for the first half year of 2023.

RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the condensed set of financial statements for the first half year of 2023 has been prepared in accordance with IAS 34 – Interim Financial Reporting and gives a true and fair view of the company's assets, liabilities, financial position and results of operation.

To the best of our knowledge, the interim report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major transactions with related parties.

Fornebu, 23 August 2023
The Board of Directors of Norwegian Air Shuttle ASA

/s/ Svein Harald Øygaard
Chair

/s/ Sondre Gravir
Director

/s/ Ingrid Elvira Leisner
Director

/s/ Katherine Jane Sherry
Director

/s/ Lars Rahbæk Boilesen
Director

/s/ Torstein Hiorth Soland
Employee representative

/s Katrine Gundersen
Employee representative

/s/ Eric Holm
Employee representative

/s/ Geir Karlsen
CEO

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 and income tax expense (income)	Enables comparability of profitability regardless of capital structure or tax situation
EBIT excl. other losses/(gains)	Earnings before net financial items and income tax expense (income), 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, impairment and aircraft leasing expenses	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, 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)	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 translation of working capital in foreign currency and net gain or loss from sale of fixed assets	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 is not affected by other losses/(gains), depreciation, amortization, impairment and lease expenses

ALTERNATIVE PERFORMANCE MEASURES – RECONCILIATIONS

<i>(unaudited in NOK million)</i>	Q2 2023	Q2 2022	H1 2023	H1 2022	Full Year 2022
<u>Operating profit (EBIT) to EBIT excl other losses/(gains)</u>					
Operating profit (EBIT)	650.5	1,358.5	-266.0	509.9	1,502.3
- Other losses/(gains)*	25.2	-4.9	55.7	10.6	-7.3
EBIT excl other losses/(gains)	675.7	1,353.6	-210.3	520.5	1,495.0
<u>EBITDAR to EBITDAR excl other losses/(gains)</u>					
EBITDAR	1,568.5	93.4	1,414.0	-211.8	2,363.4
- Other losses/(gains)*	25.2	-4.9	55.7	10.6	-7.3
EBITDAR excl other losses/(gains)	1,593.7	88.5	1,469.6	-201.2	2,356.1
<u>Net profit (EBT) to EBT excl other losses/(gains) and impairment</u>					
Profit (loss) before tax (EBT)	538.0	1,248.3	-453.5	217.0	1,046.4
- Other losses/(gains)*	25.2	-4.9	55.7	10.6	-7.3
EBT excl other losses/(gains) and impairment	563.2	1,243.4	-397.9	227.7	1,039.1
<u>Net interest bearing debt</u>					
Cash and cash equivalents			9,349.3	7,542.6	7,759.0
Aircraft financing			9,953.8	6,942.3	6,640.3
NAS13			440.9	584.8	569.2
Other IB debt			120.7	133.6	136.5
Retained Claims bonds			2,501.8	2,614.0	2,739.3
Net interest bearing debt			3,667.9	2,732.1	2,326.3

*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	Variable lease and rental expenses not capitalized as part of right-of-use assets 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. 2022 as comparable period
Equity ratio	Book equity divided by total assets
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 excluding 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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Svein Harald Øygard	Chair
Sondre Gravir	Director
Ingrid Elvira Leisner	Director
Lars Rahbæk Boilesen	Director
Katherine Jane Sherry	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
Tore Jenssen	Chief Asset Officer

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FINANCIAL CALENDAR 2023

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