

A photograph of two young children with dark, curly hair looking out of a window. The child on the left is a girl, and the child on the right is a boy. They are both looking towards the left side of the frame. Outside the window, a large white airplane is visible, with a prominent red cylindrical object (possibly a fuel tank or engine part) in the foreground. The background is slightly blurred, suggesting an airport tarmac.

Presentation of fourth quarter 2022

16 February 2023

Highlights



Ramping up for busy travel season
– LOI for six 737 MAX 8 aircraft with ALC
– strong bookings from New Year’s campaign and beyond
– 81 aircraft fleet for summer operations



2022 operating result (EBIT) NOK 1,502 million
– Q4 EBIT negative NOK 39 million in low-season
– robust cash position – liquidity NOK 7.8 billion



Top-ranking airline in 2022
– Cirium names Norwegian most punctual Nordic airline
– Grand Travel Awards (GTA) European airline of the year



Strong ESG commitment
– Carbon Disclosure Project (CDP) awards Norwegian with B- score
– received top mark for emissions reduction initiatives



Number of passengers
this quarter

4,578,894

Load factor



**-22%
(QoQ)**

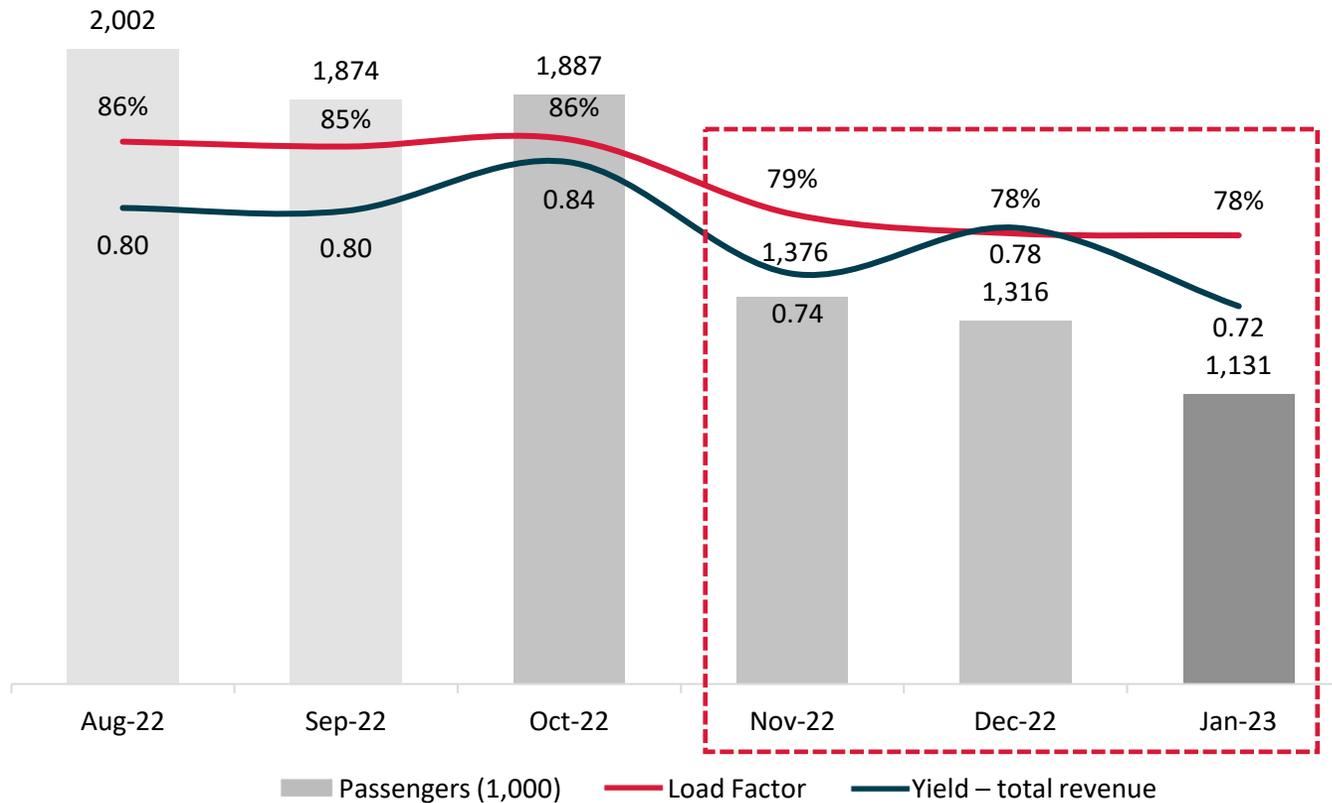
Total capacity (ASK)

Q3 2022		8,938m
Q4 2022		6,946m

Fleet flexibility – reducing winter capacity



Traffic – PAX per month, load factor and yield



- **Seasonally lower demand**
– softening demand in quieter winter period
- Utilising **fleet flexibility** to minimise cash-burn in winter
– PBH agreements on 19 aircraft until end of March
– capacity reduced 20-30%
- **Stable** load and yields

Strong booking momentum



Successful New Year's sales campaign

- **Diversified bookings** across travels months for domestic, beach and city destinations
- **Over 1 million tickets** sold in 14 days
- Campaign fares significantly above previous years



Booking momentum continuing after sale

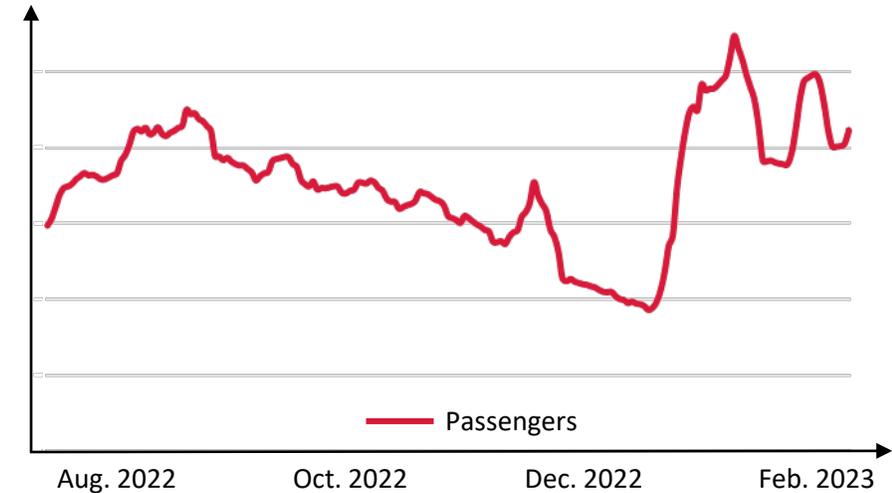
- Strong booking figures recorded after campaign end
- More than **300 routes** on sale across attractive network



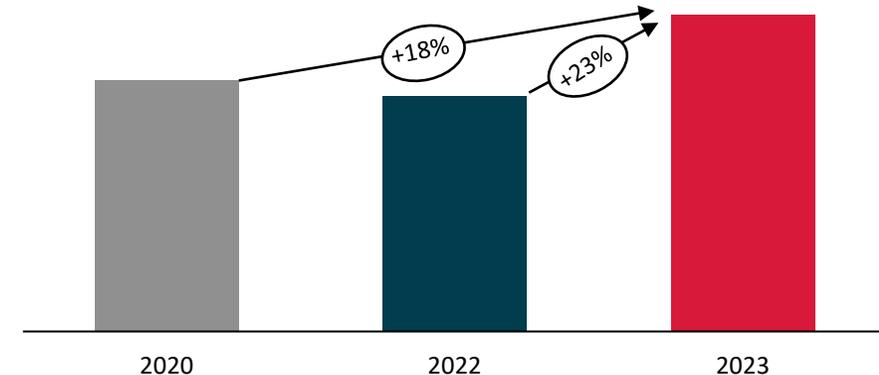
Preferred travel partner

- **Brand** – most **loved** and **trusted** airline in Norway*
- Widerøe co-operation – **seamless travel across networks**
- Market-leading operations – **Cirium most punctual airline** – 2022 regularity at 99.4%

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



New Year's sales campaign – NOK average fare



*Norwegian Brand Tracker Survey managed by Kantar for Q4 2022

*Travel anytime, company data as of 14 February 2023

Securing modern fleet for 2023 and beyond



Securing fleet for summer ramp-up

- Signed LOI with ALC for six 737 MAX 8 due before summer 2023
- Counteracting Boeing delays for aircraft originally due this spring
- Summer 2023 fleet increasing to 81 aircraft



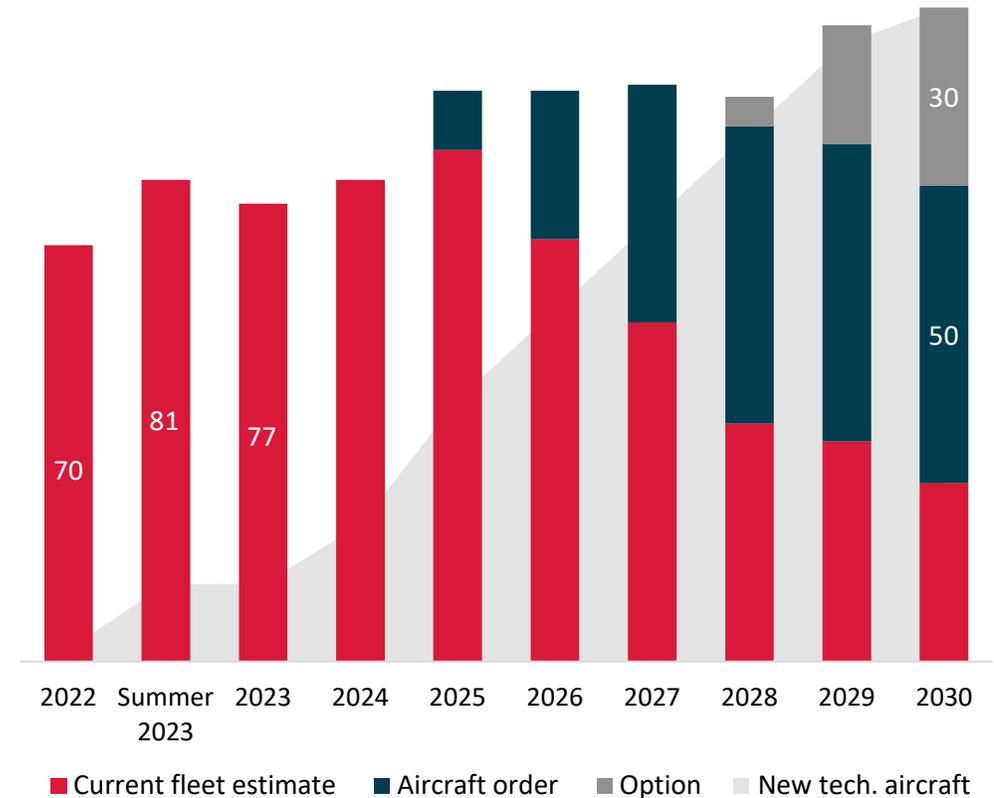
Replacing older generation aircraft

- Redelivery of leased 737 NGs
- Replaced by fuel-efficient aircraft with significant cost savings – above 14% reduced fuel-burn
- Serving customers latest technology – 40% noise reduction



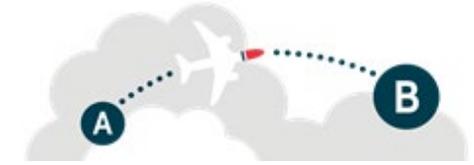
Aircraft order delivery from 2025

- Order for 50 737 MAX 8 aircraft – delivery 2025-2028
- Option for additional 30 aircraft – delivery 2028-2030
- Attractive pricing and inflation protection
- NOK 2.9 billion PDP paid-in
- Significant share to be owned – reducing overall financing cost



Financial results for Q4 2022

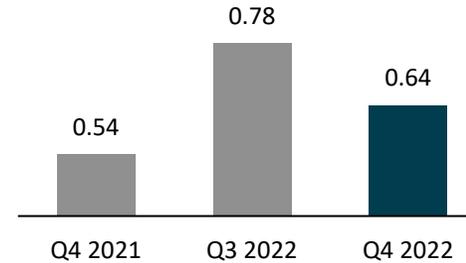
Quarterly financial highlights



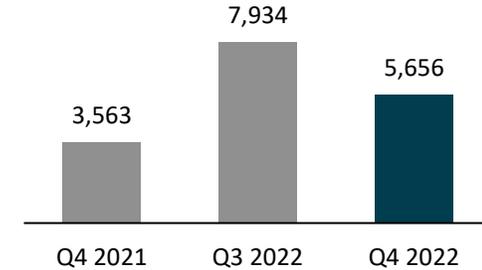
Revenues

- **Unit revenue** falling with normal seasonality – up 20% from last year
- Ancillary NOK 152 per pax

Unit revenue - total



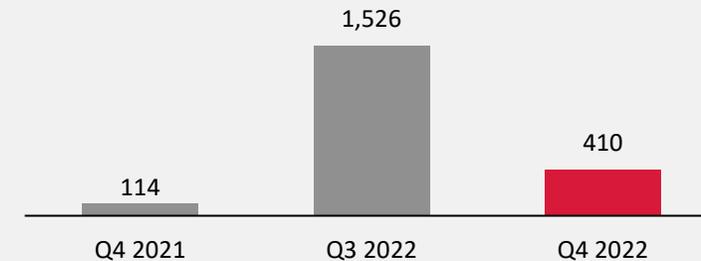
Passenger traffic (million RPK)



Profits

- **Earnings** – EBT negative NOK 80 million
- Result impacted by expiration of CashPoints
- **CASK ex. fuel** NOK 0.47 in quarter

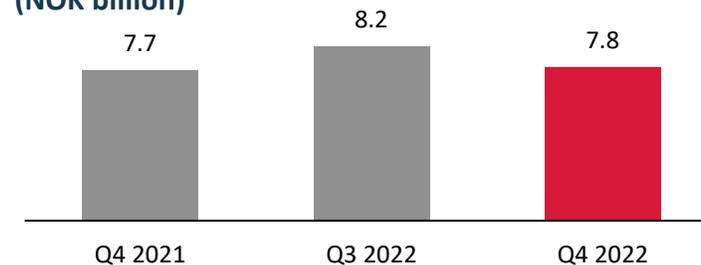
EBITDAR (NOK million)



Balance sheet

- **Strong liquidity position** in winter season
- **Equity ratio** 18.5%
- NOK 485 million repurchase of bonds in February – optimising capital structure

Cash & equiv. (NOK billion)

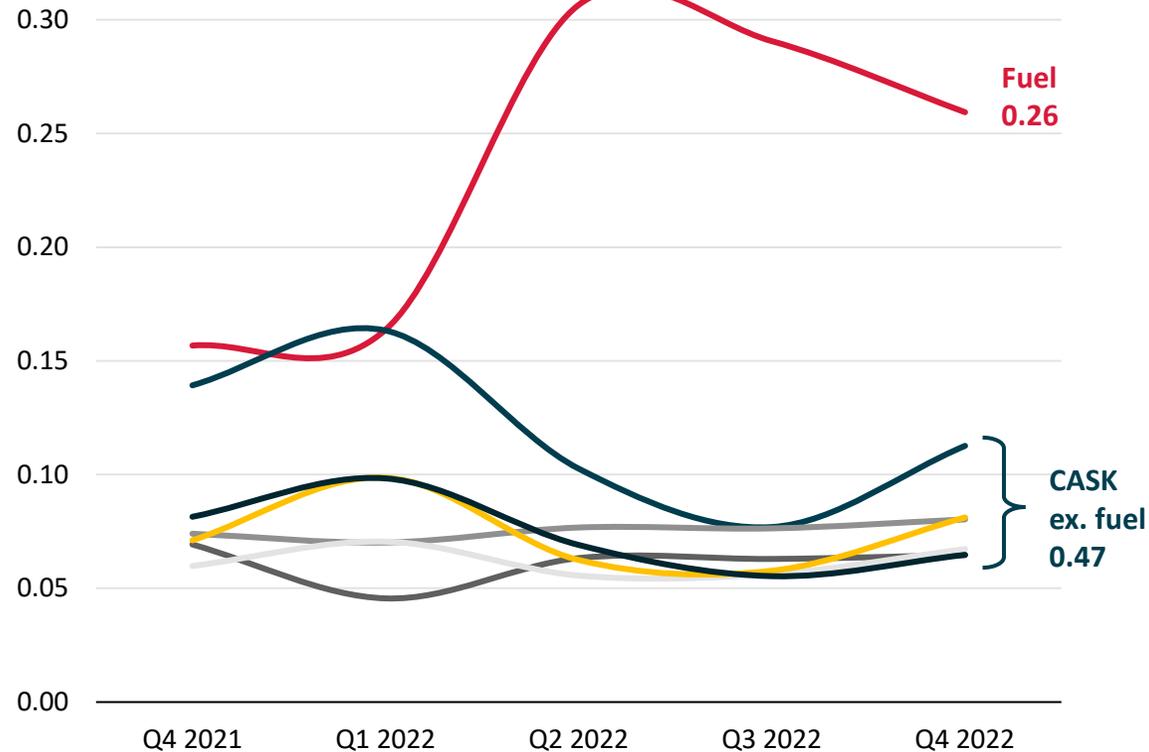
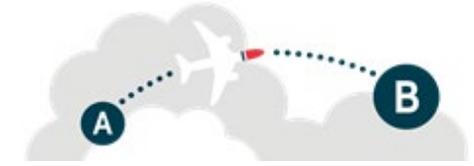


Q4 earnings – minimising losses in low-season



<i>NOK million</i>	Q4 2022	Q3 2022	Chng. (QoQ)		Full year 2022	Full year 2021
Passenger revenue	3,779	5,936		→ Reduced production in winter	15,198	3,912
Ancillary passenger revenue	697	1,047			2,870	941
Other revenue	493	133			802	215
Total operating revenue	4,969	7,116	-30%		18,869	5,068
Personnel expenses	782	687		→ Fuel down from elevated levels	2,885	2,085
Aviation fuel	1,802	2,598	-31%		7,371	1,414
Airport and ATC charges	557	682			2,096	820
Handling charges	448	562		→ Weak NOK impacting cost lines	1,669	757
Technical maintenance expenses	467	503			1,666	855
Other operating expenses	563	515			1,936	1,390
EBITDAR excl other losses/(gains)	349	1,569			1,247	-2,254
Other losses/(gains)	-61	43			-7	-737
EBITDAR	410	1,526	-73%		1,254	-1,516
Aircraft lease, depreciation and amortization	449	494			1,851	1,270
Reversal of impairment loss re. prepayment on aircraft	0	0			-2,099	0
Operating profit (EBIT)	-39	1,032			1,502	-2,786
Net financial items	-41	-122			-456	4,662
Profit before tax (EBT)	-80	910			1,046	1,876

CASK – reduced scale in winter



— Fuel
 — Personnel
 — Airport & ATC
 — Handling
— Technical
 — Other OPEX
 — Lease

Scale and cost initiatives – macro headwinds

- **Fuel cost** remain elevated due to high fuel price and strong USD
 - hedged 25% of 2023 consumption at \$880/mt
 - hedge accounting for fuel hedges
- **Personnel** higher due to reduced scale
 - sound collaboration with unions
- **Airport & ATC** and **handling charges** elevated with currency headwind
- **Technical** headwind from currency and inflation
- **Other OPEX** partly higher due to de-icing
- **Lease** expenses benefiting from increasing scale
 - headwind from strong USD

Robust balance sheet through winter season

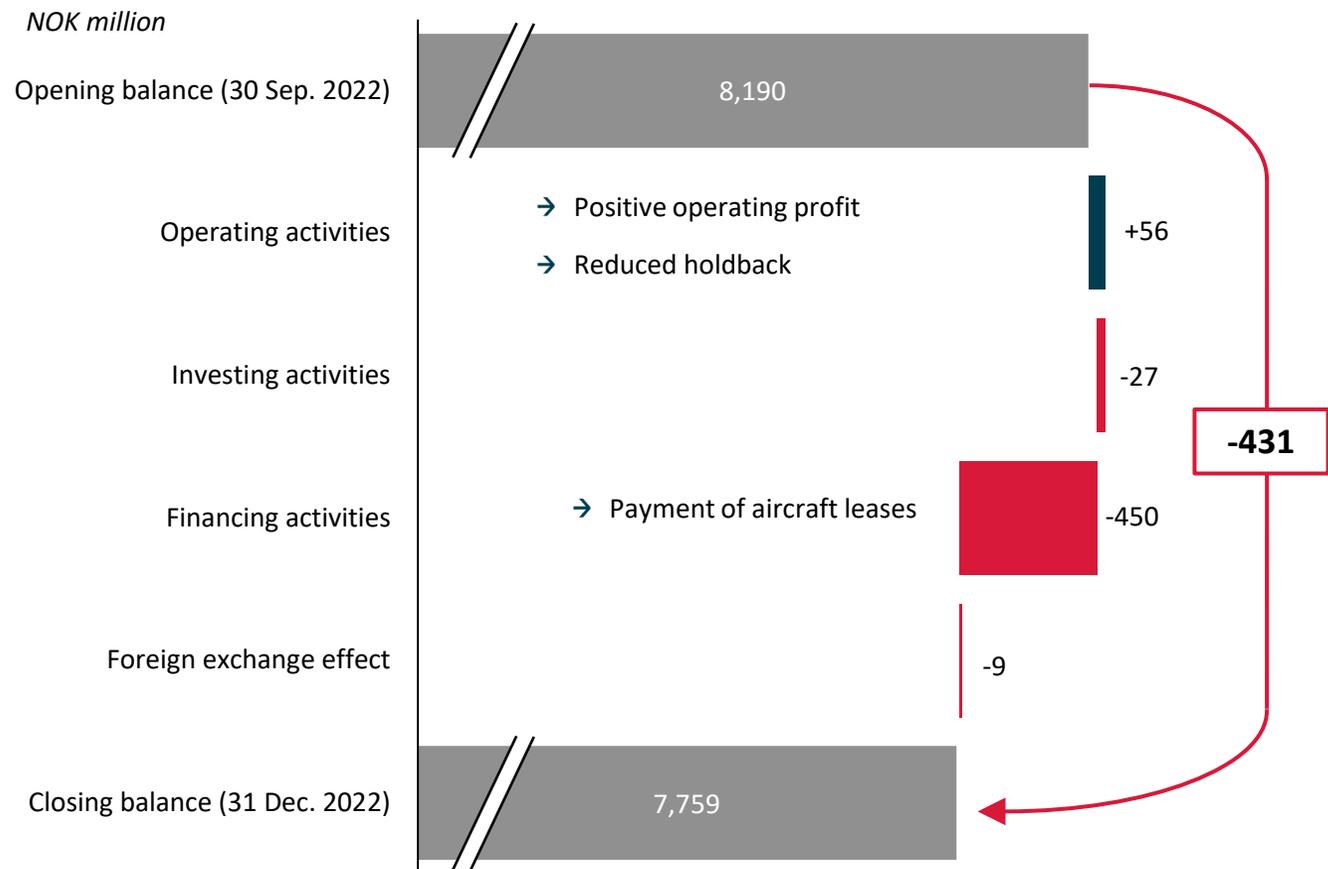


<i>NOK million</i>	31 Dec. 2022	30 Sep. 2022	Chng. (QoQ)
Intangible assets	2,090	2,092	
Tangible assets	10,078	11,258	→ Ccy revaluation of leases
Total non-current assets	12,625	13,735	-8%
Receivables	2,185	2,725	→ Holdback (%) reduced to 39%
Cash and cash equivalents	7,759	8,190	
Total current assets	10,045	11,106	
Assets	22,670	24,841	-9%
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Equity	4,203	4,859	
Non-current debt	8,696	9,409	
Other non-current liabilities	2,160	2,127	
Total non-current liabilities	10,857	11,536	
Air traffic settlement liabilities	2,549	3,102	
Current debt	1,389	1,454	
Other current liabilities	3,672	3,890	
Total current liabilities	7,610	8,446	-10%
Liabilities	18,466	19,982	
Equity and liabilities	22,670	24,841	
Equity ratio (%)	18.5	19.6	

Net interest bearing debt			
<i>NOK million</i>	31 Dec. 2022	30 Sep. 2022	Chng. (QoQ)
Cash & equiv.	7,759	8,190	-431
Aircraft financing	6,640	7,480	-840
NAS 13	569	572	
Other IB debt	137	135	
Retained Claims Bonds	2,739	2,676	
NIBD	2,326	2,673	-346

- **NIBD decrease** in quarter with lease revaluations
- 70 aircraft per year-end, up one from previous quarter
- NOK 485m bond repurchase in Feb. @ 72.50
– optimising capital structure at attractive price

Cash flow – strong cash position



- **Strong liquidity position** going through winter season
- **Holdback down to 39%**
– above 100% at year-end 2021
- **Limited aircraft prepayments** to Boeing in 2023 and 2024
– NOK 825 million cash paid in 2022
- 2022 full-year CF NOK 64 million

The way forward

Committed to sustainable aviation future



Reducing in-flight waste

- **Appetizing pre-order meals** with zero food waste
- **Recycling** of bottles and cans
- **Environmentally friendly** packaging and utensils
- Project to **reduce food waste** across network



Sustainable operations

- Pilots utilising **latest mobile technology** to reduce fuel burn
- Promoting **Sustainable Aviation Fuel (SAF)**
– collaborating with producers and policy makers
- **Fleet renewal** – modern fuel-efficient aircraft entering fleet



Transparent ESG commitment

- Committed to **reducing carbon efficiency by 45%** by 2030
- **Carbon Disclosure Project (CDP) B– score**
– top mark for emissions reduction initiatives
- Transparent reporting on ESG initiatives



Attracting new business travellers



Strong performance on corporate travel

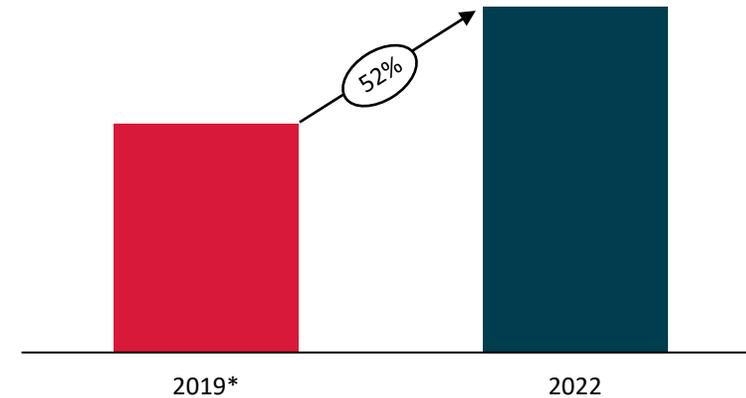
- 2022 corporate revenue 90% of 2019
- **Onboarding more corporates** through attractive product offering and campaigns
- Few cancellations with **regularity at 99.4%**
- Strong on-time record



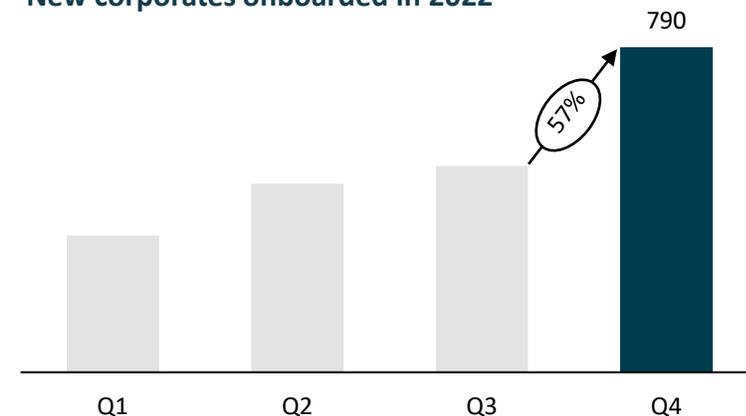
Preferred travel partner

- Significant shift in corporate **share of wallet**
- Large corporates state “**over 50% of travel with Norwegian**”
- **Brand** – most **loved** and **trusted** airline across Norway
- Widerøe co-operation with **seamless travel across networks** – business travellers significant share
- Next level ‘Frequent Flyer’ offering...

Corporate share of ticket revenue

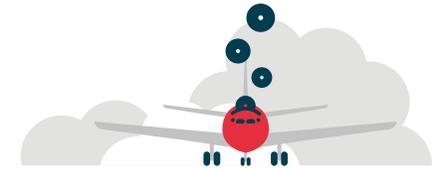


New corporates onboarded in 2022



*Adjusted to comparable route network to 2022

Improvements to Norwegian Reward



Adding new member benefits to the program...

We have listened to our members:

The more you fly, the more benefits you can select



New top level for our most frequent travelers



- **NEW benefit for all to select** – overhead cabin bag
- **Unlock all benefits and new priority benefits at 32 flights** – increasing value to our most frequent flyers
- Improving awareness for members by **simplifying benefits**

... and expanding the program beyond airline

Ambition to build the best loyalty program in the Nordics, together with partners

- **Norwegian Reward to expand and grow beyond airline** – becoming part of everyday life and holidays for people
- **Opportunity to earn and use our digital CashPoint currency** – more often for more
- **New digital products and services** – increased value for members, partners and suppliers
- **Utilising data, analytics and technology** to make the ecosystem relevant, accessible and engaging for everyone



Summary



Navigating through the winter

- Utilising fleet flexibility – up to 30% capacity reduction
- Strong liquidity position – NOK 7.8bn in cash
- Minimising Q1 cash-burn through cost and efficiency focus



Well positioned for busy 2023

- Encouraging bookings at improved fare level
- Six additional 737 MAX 8 aircraft from ALC
– 81 aircraft through peak summer
- Targeting for 2023 (vs. last year):
 - capacity (ASK) 34,000 million kilometres – up 24%
 - improved unit revenue
 - 5-10% reduction in CASK ex. fuel



Strong brand loyalty and robust operations

- Leading operations vs. peers – most punctual Nordic airline
- Launching new benefits with ‘Norwegian Reward’
- Widerøe co-operation with seamless travel across networks



norwegian 

Book tickets at Norwegian.com

Appendix

20 largest shareholders as of 31 December 2022*

	Name	Country	Number of shares	Per cent
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		579,651,313	62.3 %
	Other shareholders		350,338,426	37.7 %
	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.*

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Certain statements included in this presentation contain forward-looking statements, such as statements of future expectations. Although the statements provided are based on the best reasonable assumptions of management of Norwegian Air Shuttle ASA (“Norwegian”), the statements are based on a number of assumptions and forecasts that, by their nature, involve risks and uncertainties. No assurances can be given that the expectations provided in the forward-looking statements will prove to be correct.

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