

To the Shareholders' Meeting of Norwegian Air Shuttle ASA

Report on share capital increase by conversion of debt in Norwegian Air Shuttle ASA - ADDENDUM

Introduction

As independent expert and on instructions from the Board of Directors in Norwegian Air Shuttle ASA ("Norwegian"), in accordance with the Norwegian Public Limited Liability Companies Act section 10-2, cf. section 2-6, I reported on 6 April 2020 ("the Report"). The Report concerned the board's proposal for a private placing by way of conversion of bond debt to shares, and the board's proposal for a private placing by way of conversion of lease debt to shares. This addendum is an extension to the Report and concerns the fact that the bond owners of the bond loans ISIN NO 001 0753437 ("NAS07") and ISIN NO 001 0783459 ("NAS08") (hereinafter jointly referred to as "the Loans") through the negotiations have been offered right to receive additional bonds in the event that the value of Norwegian's Gatwick slots exceed the remaining outstanding bond debt under the Loans as at 30 June 2021, 30 June 2022 and/or 30 September 2022. This right for the bond holders of the Loans is referred to below as the "Upside Participation".

For all other matters pertaining to the board's proposal for a private placing by way of conversion of bond debt and lease debt to shares, reference is made to the Report.

Additional information about the Upside Participation

In respect of NAS07 and NAS08, Norwegian has offered the bond holders of the Loans an agreement regarding the Upside Participation. In addition to receiving consideration shares, the bond holders of the Loans shall receive the Upside Participation as compensation for converting 50 % of the outstanding nominal amount of the Loans to shares.

Somewhat simplified, the Upside Participation implies that if the value of Norwegian's Gatwick slots exceeds the remaining outstanding debt under the Loans as at 30 June 2021, 30 June 2022 and/or 30 September 2022, the debt under the Loans shall be increased in proportion to the value of the slots exceeding the remaining outstanding debt under the Loans. However, the Upside Participation cannot exceed 38% of the remaining outstanding debt under the Loans as at 30 June 2021. Any increase of outstanding debt under the Loans

due to the Upside Participation, shall be done by way of issuance of new bonds. The Upside Participation does not affect the distribution of consideration shares between the creditors participating in the share conversion.

If the value of the Gatwick slots exceeds 105% of the remaining outstanding debt under the Loans pr. 30 June 2021, corresponding to approx. 52.5% of nominal amount outstanding under the Loans prior to conversion, it will be beneficial for Norwegian to redeem the Loans early (the bond indentures for the Loans effectively allow for early redemption), to avoid its obligation under the Upside Participation. Based on this, Norwegian's obligation under the Upside Participation is effectively capped at 2.5% of the nominal amount of the Loans.

Norwegian has proposed that 2.5% of the nominal amount of the Loans is deducted from the total debt to be converted, when determining the subscription price for the shares to be issued. This ensures that the total share premium when converting bond debt and leasing debt to shares, is reduced by the amount of Norwegian's maximum obligation under the Upside Participation.

Conclusion

In my opinion, the bond debt and the lease debt to be converted has a value per 6 April 2020, considering also the Upside Participation, at least equaling the agreed consideration of shares in Norwegian, including the nominal amount and any share premium on the shares that are issued.

Oslo, 3 May 2020

Simen Weiby
State Authorized Public Accountant (Norway)

The translation to English has been prepared for information purposes only.