

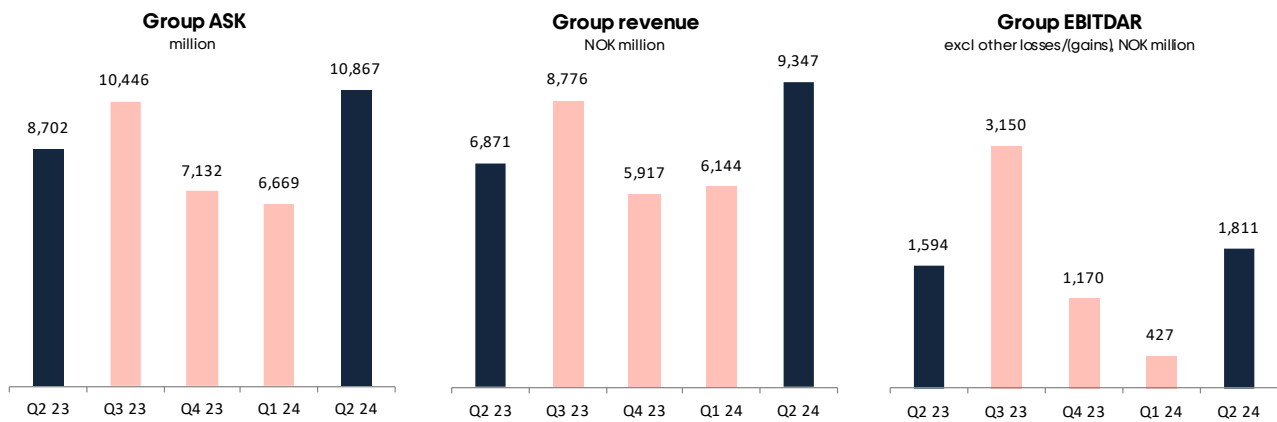


Norwegian Air Shuttle ASA

Second quarter 2024 financial report

- Quarterly profit before tax (EBT) NOK 477 million
- Strong passenger growth YoY – Norwegian 12% and Widerøe 14%
- Improved cost performance – unit cost excl. fuel down 2% for Norwegian
- Strong quarterly cash flow – NIBD reduced by NOK 1.4 billion
- Strawberry loyalty partnership agreed for multi-partner ecosystem

The Norwegian Group delivers a quarterly operating profit (EBIT) of NOK 593 million in quarter characterised by strong capacity and passenger growth



The Norwegian Group today reported its results for the second quarter and the first half year of 2024. The figures demonstrate the group's ability to increase capacity into the busy summer travel season and deliver operational performance as one of the best performing airlines in Europe.

For the second quarter of 2024, the Norwegian Group delivered an operating profit (EBIT) of NOK 593 million, corresponding to an operating margin of 6.3 percent. Profit before tax (EBT) amounted to NOK 477 million for the quarter. The liquidity position improved through the quarter to NOK 11.5 billion at the end of the quarter, up 1.1 billion from the previous quarter. The Norwegian fleet comprised 86 aircraft at quarter-end, of which 22 aircraft were latest technology 737 MAX 8 aircraft. The Widerøe fleet comprised 49 aircraft.

The Norwegian Group had 7.3 million passengers in the quarter, of which 6.3 million were passengers of Norwegian and 1.0 million of Widerøe. Compared to the same period last year, the number of passengers increased by 680,000 and 122,000 for Norwegian and Widerøe respectively. For Norwegian, production (ASK) increased by 19 percent to 10.3 billion seat kilometres, while for Widerøe the production increased by 2 percent. The quarterly load factor for Norwegian was 82.4 percent, down two percentage points from the same period last year. For Widerøe, the quarterly load factor was 70.2 percent, an improvement of five percentage points from last year. The second quarter of 2024 marked the first quarter in which Widerøe is operating under the new public service obligation (PSO) tender contracts that came into effect from 1 April.

Punctuality, share of flights departing on schedule was 80.8 and 91.4 percent for Norwegian and Widerøe respectively, while regularity, share of flights taking place, was 99.2 and 96.9 percent. Cirium, the global aviation consultancy named Norwegian Air Shuttle (DY) Europe's most on-time airline in May and the third most punctual low-cost carrier globally.

In May, Norwegian and Strawberry announced that the parties had agreed on the structure for the world-first multi-partner rewards points ecosystem for their 10-million-member strong loyalty programmes. This will give members the opportunity to earn and use a shared loyalty currency across participating programmes and their partners. Market launch of the venture is targeted for the second half of 2024.

During recent months, the company has reached agreements for new collective bargaining agreements (CBAs) with the majority of pilots across the group, as well as cabin crew and technicians in Norwegian. The agreements helps to ensure that the company avoids any major disruptions during the peak summer travel season.

In the second quarter, Norwegian launched new and exciting routes for the winter program ahead, a total of 27 new routes. This includes routes to Dubai, Agadir and Hurghada, in addition to routes from European cities to popular winter holiday destinations Tromsø and Evenes.

Well prepared for second half 2024 and beyond

Customers of Norwegian and Widerøe highly value the group's strong operational performance and the attractive and growing route network. The acquisition of Widerøe and the linking of highly complementary route networks will further ensure that the airlines remain preferred travel partners throughout the Nordics.

The Norwegian Group is bringing an increasing number of passengers to many attractive summer destinations this summer. Overall production for Norwegian in 2024 is forecasted to grow by approximately 12 percent compared to the previous year. Growth is projected to slow for the upcoming year due to aircraft delivery delays from Boeing. For the summer of 2025, the Norwegian fleet is forecasted to increase to above 90 aircraft, compared to 86 aircraft in the fleet currently.

Group consolidated key financial figures

<i>(unaudited in NOK million)</i>	Q2 2024	Q2 2023 Norwegian*	Change	H1 2024	H1 2023 Norwegian	Change	FY 2023 Norwegian
Operating revenue	9,346.6	6,871.4	36 %	15,490.9	10,846.3	43 %	25,539.3
EBITDAR	1,846.5	1,568.5	18 %	2,147.6	1,414.0	52 %	5,754.1
EBITDAR excl other losses/(gains)	1,810.7	1,593.7	14 %	2,237.8	1,469.6	52 %	5,789.2
Operating profit (EBIT)	593.2	650.5	-9 %	-169.4	-266.0	36 %	2,232.1
EBIT excl other losses/(gains)	557.4	675.7	-18 %	-79.2	-210.3	62 %	2,267.2
Profit (loss) before tax (EBT)	477.1	538.0	-11 %	-426.3	-453.5	6 %	1,803.9
Net profit (loss)	477.1	537.9	-11 %	-426.5	-455.0	6 %	1,736.9
EBITDAR margin	19.8 %	22.8 %		13.9 %	13.0 %		22.5 %
EBIT margin	6.3 %	9.5 %		-1.1 %	-2.5 %		8.7 %
EBT margin	5.1 %	7.8 %		-2.8 %	-4.2 %		7.1 %
Net profit margin	5.1 %	7.8 %		-2.8 %	-4.2 %		6.8 %
Book equity per share (NOK)				5.9	3.9	54 %	6.0
Equity ratio (%)				14.5 %	12.2 %	2.3 pp	18.9 %
Cash and cash equivalents				11,498.3	9,349.3	23 %	9,477.9
Net interest-bearing debt				4,403.7	3,667.9	20 %	4,547.5

*Consolidated financial figures for the periods prior to 2024 do not include Widerøe.

Traffic figures and ratios

<i>(unaudited ratios in NOK)</i>	Q2 2024			Q2 2023		H1 2024			H1 2023		FY 2023
	Group	Norwegian	Widerøe	Norwegian	Change*	Group	Norwegian	Widerøe	Norwegian	Change*	Norwegian
Yield - total	1.02	0.87	4.41	0.90	14 %	1.03	0.87	4.35	0.85	21 %	0.89
Unit revenue - total	0.84	0.72	3.10	0.76	10 %	0.85	0.72	2.98	0.71	21 %	0.75
Unit cost		0.70		0.71	-2 %		0.75		0.75	0 %	0.72
Unit cost excl fuel		0.47		0.48	-2 %		0.52		0.51	3 %	0.48
Ancillary revenue per passenger	173	194	35	178	-3 %	165	186	44	171	-3 %	179
ASK (million)	10,867	10,326	541	8,702	25 %	17,536	16,539	997	14,744	19 %	32,322
RPK (million)	8,887	8,507	380	7,348	21 %	14,456	13,772	684	12,234	18 %	27,383
Passengers (million)	7.28	6.29	1.00	5.60	30 %	12.03	10.26	1.78	9.41	28 %	20.61
Load factor	81.8 %	82.4 %	70.2 %	84.4 %	-2.6 pp	82.4 %	83.3 %	68.6 %	83.0 %	-0.6 pp	84.7 %
Average sector length (km)	870	1,283	273	1,214	-28 %	814	1,251	268	1,181	-31 %	1,222
Number of aircraft	135	86	49	81	67 %	135	86	49	81	67 %	87
Fuel consumption (1,000 mt)	215	199	16	174	14 %	351	321	30	298	18 %	645
CO2 per RPK		74		75	-1 %		73		77	-4 %	74
CO2 per seat			31					31			

*Changes relate to group for periods in 2024 vs. Norwegian for periods in 2023.

Group financial review

The Norwegian Group ("the group") consists of Norwegian Air Shuttle ASA ("Norwegian") and Widerøe AS ("Widerøe"), together with affiliated subsidiaries. Following Norwegian's completed acquisition of Widerøe in the first quarter of 2024, consolidated financials for the period from 2024 include Widerøe. Consolidated financials for the periods prior to 2024 do not include Widerøe.

The Norwegian group is experiencing good demand trends across key markets for the busy summer travel season and into the second half of 2024. Demand in the second quarter increased markedly from the same period last year, while load factor and yield for Norwegian decreased moderately, predominantly a result of significant capacity increase with the opening of many new routes, and the Easter holiday period falling in the first quarter. The second quarter results are also affected by macroeconomic uncertainty, predominantly relating to volatility in the price of jet fuel and the foreign exchange rates, and the weakening of the NOK against the USD.

EBITDAR for the group was NOK 1,846 million in the second quarter of 2024, of which NOK 359 million related to Widerøe, compared to NOK 1,569 million in the second quarter of 2023. EBITDAR excl. other losses/(gains) was NOK 1,811 million, compared to NOK 1,594 million in the same period last year. Other losses/(gains) amounted to a net gain of NOK 36 million and primarily relates to currency effects from the translation of monetary operating assets and liabilities.

Operating profit (EBIT) was NOK 593 million, of which NOK 202 million related to Widerøe, compared to NOK 651 million in the same period last year. The group operating margin was 6.3 percent, compared to 9.5 percent in the same period last year. Operating profit (EBIT) excl. other losses/(gains) was NOK 557 million, compared to NOK 676 million in the same period last year.

Profit before tax (EBT) was NOK 477 million, of which 194 million related to Widerøe, compared to NOK 538 million in the same period last year.

Revenue

Total operating revenue for the group in the second quarter of 2024 increased to NOK 9,347 million, of which NOK 1,883 million related to Widerøe and group internal eliminations, compared to NOK 6,871 million in the second quarter of 2023. Passenger revenue was NOK 7,820 million, compared to NOK 5,615 million in the same period last year, and included compensation from the Norwegian government related to Widerøe's public service obligation (PSO) routes. Ancillary passenger revenue was NOK 1,257 million, compared to NOK 995 million in the same period last year. Other revenue primarily relates to the sale of ground handling services to third-parties, transport of freight, commission from in-flight sales and revenue from the loyalty program 'Norwegian Reward' and amounted to NOK 270 million.

Operational expenses

Total operating expenses excluding aircraft lease, depreciation and amortization for the group amounted to NOK 7,498 million in the second quarter of 2024, compared to NOK 5,303 million in the second quarter of 2023. Total operating expenses adjusted for other losses/(gains) amounted to NOK 7,534 million. Expenses for aviation fuel amounted to NOK 2,593 million, corresponding to 35 percent of total operating expenses excluding aircraft lease, depreciation and amortization.

Lease and rental expenses

Aircraft lease, depreciation and amortization for the group amounted to NOK 1,253 million in the second quarter of 2024, compared to NOK 918 million in the second quarter of 2023.

Financial items

Net financial items for the group amounted to negative NOK 116 million in the second quarter of 2024, compared to a net loss of NOK 112 million in the second quarter of 2023. Interest expenses amounting to NOK 287 million for the quarter included NOK 191 million in interest expenses on lease liabilities recognised according to IFRS 16. Other financial income (expense) amounted to a net gain of NOK 76 million in the quarter.

Norwegian segment

This segment includes Norwegian with affiliated subsidiaries and excludes Widerøe with its affiliated subsidiaries.

Traffic development

Passenger demand for air travel with Norwegian grew significantly through the quarter as the company ramped up capacity into the busy summer travel season. Capacity measured by available seat kilometres (ASK) increased by 19 percent compared to the second quarter of 2023 as the company launched new routes, destinations and additional frequencies. Load factor and yield decreased moderately compared to the same period last year, predominantly a result of the increased capacity, increased average stage length and the Easter holiday period falling in March this year.

For the second quarter of 2024, Norwegian had 6.3 million passengers, 680,000 more passengers than in the second quarter of 2023. Production (ASK) for the quarter was 10,326 million kilometres, up 19 percent from the same period last year. Passenger traffic measured by revenue passenger kilometres (RPK) was 8,507 million kilometres, up 16 percent from the same period last year. The quarterly load factor was 82.4 percent, down 2.1 percentage points from the same period last year. The average sector length was 1,283 kilometres, an increase of 6 percent compared to the same period last year.

At the end of the second quarter of 2024, Norwegian's fleet comprised 86 aircraft, all Boeing 737 aircraft of which 22 were latest technology 737 MAX 8 aircraft. One 737 MAX 8 aircraft was delivered to Norwegian during the quarter, while two 737-800 NG were redelivered to respective lessors due to lease expiry. During the quarter, 84 aircraft were on average utilised. Each aircraft was on average utilised 11.9 block hours per day, up from 11.4 block hours per day in the same period last year.

Operating performance

Punctuality, share of Norwegian's flights departing on schedule, was 80.8 percent in the second quarter of 2024, down from 81.5 percent in the second quarter of 2023. Share of flights arriving within one hour of scheduled arrival time was 96.7 percent. Regularity, share of flights taking place, was 99.2 percent this quarter, down from 99.5 percent in the same period last year. Cirium, the global aviation consultancy named Norwegian Air Shuttle (DY) Europe's most on-time airline in May and third most punctual low-cost carrier globally.

Norwegian financial review

EBITDAR for Norwegian was NOK 1,488 million in the second quarter of 2024, compared to NOK 1,569 million in the second quarter of 2023. EBITDAR excl. other losses/(gains) was NOK 1,446 million, compared to NOK 1,594 million in the same period last year. Other losses/(gains) amounted to a net gain of NOK 42 million and primarily relates to currency effects from the translation of monetary operating assets and liabilities. Operating profit (EBIT) was NOK 391 million, compared to NOK 651 million in the same period last year. Profit before tax (EBT) was NOK 283 million, compared to NOK 538 million in the same period last year.

Total operating revenue for Norwegian increased to NOK 7,542 million from NOK 6,871 million in the same period last year. Passenger revenue was NOK 6,179 million, while ancillary passenger revenue was NOK 1,221 million. Other revenue primarily relates to commission from in-flight sales and revenue from the loyalty program 'Norwegian Reward' and amounted to NOK 141 million, compared to NOK 262 million in the same period last year. Other revenue was in the second quarter of 2023 positively impacted by the expiration of CashPoints issued during the COVID-19 pandemic.

Unit revenue including flight related ancillary revenue was NOK 0.72, down from NOK 0.76 in the same period last year. Yield including flight related ancillary revenues was NOK 0.87, compared to NOK 0.90 in the same period last year. Ancillary revenue per passenger was NOK 194 in the quarter, compared to NOK 178 in the same period last year.

Total operating expenses excluding aircraft lease, depreciation and amortization for Norwegian was NOK 6,052 million in the quarter, compared to NOK 5,303 million in the same period last year. Total operating expenses adjusted for losses/(gains) amounted to NOK 6,094 million. Expenses for aviation fuel amounted to NOK 2,360 million, corresponding to 39 percent of total operating expenses excluding aircraft lease, depreciation and amortization. Non-recurring personnel expenses amounted to NOK 57 million in the quarter and predominantly related to higher than projected wage settlement for pilots following the conclusion of new collective-bargaining agreements.

Aircraft lease, depreciation and amortization amounted to NOK 1,097 million in the quarter, compared to NOK 918 million in the same period last year. The increase is predominately a result of fleet growth and the replacement of older 737-800 NG aircraft with latest technology 737 MAX 8 aircraft that have significantly lower fuel burn. Costs related to external wet-lease capacity sourced to counter aircraft delivery delays amounted to NOK 34 million in the quarter.

Unit cost, which excludes other losses/(gains) and includes aircraft lease, depreciation and amortization, was NOK 0.70 in the quarter, a reduction of 2 percent from the same period last year. Unit cost excluding fuel amounted to NOK 0.47, a reduction of 2 percent from the same period last year.

Net financial items amounted to negative NOK 109 million in the quarter, compared to negative NOK 112 million in the same period last year. Interest expenses amounting to NOK 261 million for the quarter included NOK 181 million in interest expenses on lease liabilities recognised according to IFRS 16. Other financial income (expense) amounted to a net gain of NOK 60 million in the quarter.

Widerøe segment

This segment solely relates to Widerøe with affiliated subsidiaries.

Traffic development

Passenger demand for Widerøe in the second quarter of 2024 developed significantly positive from the same period last year. The number of passengers increased by 14 percent, while the load factor increased by more than 5 percentage points. The second quarter of 2024 marked the first quarter under the new PSO tender contracts that came into effect from 1 April. The new contracts have a duration until October 2027 and October 2028 and entail that Widerøe operate approximately 6 percent more capacity on PSO routes and that maximum passenger ticket prices are reduced by 50 percent.

For the second quarter of 2024, Widerøe had 996,000 passengers, 122,000 more passengers than in the second quarter of 2023. Production (ASK) for the quarter was 541 million kilometres, up 2 percent from the same period last year. Passenger traffic (RPK) was 380 million kilometres, up 10 percent from the same period last year. The quarterly load factor was 70.2 percent, up 5.4 percentage points from the same period last year. The increase in load factor was predominately a result of improved load factor on Widerøe's commercial non-PSO route network.

At the end of the second quarter of 2024, the total Widerøe fleet comprised 49 aircraft, 46 De Havilland Dash 8 turboprop aircraft and three Embraer E190-E2 jets. The fleet was unchanged from the end of the previous quarter.

Operating performance

Punctuality, share of Widerøe's flights departing on schedule, was 91.4 percent in the second quarter of 2024, compared to 92.4 percent in the second quarter of 2023. Regularity, share of flights taking place, was 96.9 percent this quarter, compared to 97.4 percent in the same period last year.

Widerøe financial review

EBITDAR for Widerøe was NOK 359 million in the second quarter of 2024. Operating profit (EBIT) was NOK 202 million, while profit before tax (EBT) was NOK 195 million.

Total operating revenue for Widerøe was NOK 1,882 million in the quarter. Passenger revenue was NOK 1,641 million and includes government revenues from PSO operations. Ancillary passenger revenue was NOK 35 million. Other revenue was NOK 206 million and is predominately comprised of the sale of ground handling services to third-parties, transport of freight, in addition to sale of wet-lease airline services to other airlines.

Unit revenue including compensation for PSO operations and flight related ancillary revenue was NOK 3.10. Yield including compensation for PSO operations and flight related ancillary revenue was NOK 4.41.

Total operating expenses excluding aircraft lease, depreciation and amortization for Widerøe was NOK 1,524 million in the quarter. Expenses for aviation fuel amounted to NOK 233 million.

Aircraft lease, depreciation and amortization amounted to NOK 157 million in the quarter.

Net financial items amounted to negative NOK 7 million in the quarter. Interest expenses amounting to NOK 27 million for the quarter included NOK 9 million in interest expenses on lease liabilities recognised according to IFRS 16. Other financial income (expense) amounted to a net gain of NOK 17 million in the quarter and primarily consisted of unrealised currency effects.

Group financial position and liquidity

The majority of aircraft assets for the Norwegian Group are accounted for in USD, creating a natural hedge against USD denominated financing when translated into NOK.

For information related to recognised assets and liabilities in relation to the acquisition of Widerøe completed in the first quarter of 2024, please refer to note 31 in Norwegian's Annual Report for 2023.

Net interest-bearing debt at the end of the second quarter of 2024 amounted to NOK 4,404 million, compared to NOK 3,668 million at the end of the second quarter of 2023. Compared to the previous quarter, net interest-bearing debt decreased by NOK 1,407 million, predominately a result of the increase in cash and cash equivalents this quarter. Included in net-interest bearing debt is the zero coupon Retained Claims Bonds, amounting to NOK 2,749 million at the end of the quarter. A total of 135 aircraft were accounted for in the balance sheet through leased and owned aircraft, of which 86 aircraft related to Norwegian's fleet and 49 to the Widerøe fleet.

Equity amounted to NOK 5,732 million at the end of the quarter, up from NOK 3,707 million at the end of the same period last year. The corresponding equity ratio was 14.5 percent. Compared to the previous quarter, the equity ratio increased by 0.2 percentage points.

Non-current assets

Total non-current assets amounted to NOK 22,031 million at the end of the second quarter of 2024, compared to NOK 16,450 million at the end of the second quarter of 2023 and NOK 22,129 million at the end of the previous quarter.

Intangible assets amounted to NOK 2,622 million at the end of the quarter and included NOK 1,990 million in deferred tax assets.

Tangible assets amounted to NOK 18,951 million at the end of the quarter, compared to NOK 13,669 million at the end of the same period last year and NOK 19,097 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 3,279 million and related to the purchase order of 50 Boeing 737 MAX 8 aircraft due to be delivered from 2025.

Current assets

Total current assets amounted to NOK 17,628 million at the end of the second quarter of 2024, compared to NOK 13,870 million at the end of the second quarter of 2023 and NOK 15,936 million at the end of the previous quarter.

Cash and cash equivalents increased to NOK 11,498 million at the end of the quarter, corresponding to an increase of NOK 2,149 million from the end of the same period last year and an increase of NOK 1,064 million at the end of the previous quarter. Included in cash and cash equivalents is NOK 823 million set aside for in a dividend fund for later distribution. Please refer to Note 9 in this report for further information.

Non-current liabilities

Total non-current liabilities amounted to NOK 18,580 million at the end of the second quarter of 2024, compared to NOK 14,048 million at the end of the second quarter of 2023 and NOK 18,409 million at the end of the previous quarter.

Non-current lease liabilities amounted to NOK 9,490 million at the end of the quarter, compared to NOK 7,377 million at the end of the same period last year and NOK 9,656 million at the end of the previous quarter.

Current liabilities

Total current liabilities amounted to NOK 15,347 million at the end of the second quarter of 2024, compared to NOK 12,565 million at the end of the second quarter of 2023 and NOK 14,212 million at the end of the previous quarter.

Air traffic settlement liabilities amounted to NOK 7,758 million at the end of the quarter, up from NOK 6,416 million at the end of the same period last year and NOK 7,398 million at the end of the previous quarter.

Other current liabilities amounted to NOK 5,538 million at the end of the quarter, of which CashPoint liabilities amounted to NOK 548 million.

Equity

Equity at the end of the second quarter of 2024 amounted to NOK 5,732 million, compared to NOK 3,707 million at the end of the second quarter of 2023 and NOK 5,443 million at the end of the previous quarter.

Group cash flow

Cash and cash equivalents amounted to NOK 11,498 million at the end of the second quarter of 2024, an increase of NOK 2,149 million from the end of the second quarter of 2023. Compared to the previous quarter, cash and cash equivalents increased by NOK 1,064 million.

Cash flow from operating activities

Cash flow from operating activities in the second quarter of 2024 amounted to positive NOK 2,330 million, compared to positive NOK 1,495 million in the second quarter of 2023. Air traffic settlement liabilities increased by NOK 359 million during the quarter while receivables decreased by NOK 686 million. Other adjustments amounted to positive NOK 998 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 2024, cash flow from operating activities amounted to positive NOK 5,413 million, compared to NOK 3,108 million in the same period last year.

Cash flow from investing activities

Cash flow from investing activities in the second quarter of 2024 amounted to negative NOK 226 million, compared to negative NOK 33 million in the second quarter of 2023.

For the first half year of 2024, cash flow from investing activities amounted to negative NOK 1,561 million and included NOK 1,000 million in net cash outflow in relation to the acquisition of Widerøe. In the same period last year, cash flow from investing activities amounted to negative NOK 232 million.

Cash flow from financing activities

Cash flow from financing activities in the second quarter of 2024 amounted to negative NOK 1,039 million, compared to negative NOK 760 million in the second quarter of 2023.

For the first half year of 2024, cash flow from financing activities amounted to negative NOK 1,865 million, compared to negative NOK 1,330 million in the same period last year.

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 the onset of 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, the Israeli-Palestinian conflict, escalating tensions in the Middle East 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. Norwegian has hedged 60 percent of estimated jet fuel consumption for the remainder of the current year and approximately 30 percent for 2025, while Widerøe has hedged 80 percent for the remainder of the current year and 45 percent for 2025. The average hedging price level is below current market prices for both airlines.

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 2023: 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

For the full-year of 2024, the airline is forecasting an overall production (ASK) of around 36,000 million seat kilometres, corresponding to a growth of approximately 12 percent from 2023. The year-on-year production growth is forecasted at approximately 10 and 16 percent for the third and fourth quarter respectively. Growth for 2025 is expected to slow compared to 2024 due to aircraft delivery delays from Boeing. For the summer of 2025, the Norwegian fleet is forecasted to increase to above 90 aircraft, up from the current fleet of 86 aircraft. This will allow the airline to match the anticipated increase in demand for the group's air travel offering and to benefit from increasing scale.

The Norwegian Group is forecasting an group operating profit (EBIT) for 2024 to be in the range of NOK 2.1 to 2.6 billion, including Widerøe, as updated in the revised profit outlook announced on 4 July 2024. The company is also forecasting unit cost excluding fuel for Norwegian to increase by a low single-digit percentage compared to 2023. The forecasts are based on current foreign exchange and jet fuel forward prices for the remainder of the year*. These forecasts are uncertain, and the company is mindful of changes related to consumer sentiment, aircraft delivery delays and the general macro environment that may significantly affect the forecasts.

Traffic figures for Norwegian have in recent months exhibited some degree softness with load factor and yield decreasing compared to last year, partially a result of significant capacity increase on longer flights. However, current booking trends still remain robust for the months ahead. Air travel remains a key priority for both Norwegian's and Widerøe's customers, and an increasing number of passengers are now looking forward to traveling with the airlines for their summer holidays. The group is also attracting an increasing number of customers travelling for business purposes, travellers that place an extra high value on strong operational performance.

With strong brand loyalty, a highly skilled organisation and a solid financial platform, the group is well-positioned to tackle potential short-term fluctuations in demand and to solidify its position as a leading airline group in the Nordics. The addition of Widerøe to the group supports the company's strong customer proposition and outlook through the enabling of seamless travel across an improved route network offering.

*Jet fuel 840 USD/mt, EURNOK 11.5, USDNOK 10.6

Condensed interim financial statements

Consolidated income statement

<i>(unaudited in NOK million)</i>	Note	Q2 2024	Q2 2023	H1 2024	H1 2023	Full Year 2023
Passenger revenue		7,820.0	5,615.0	12,946.0	8,805.6	20,616.6
Ancillary passenger revenue		1,256.6	994.5	1,987.5	1,598.1	3,699.6
Other revenue		270.0	261.8	557.5	442.6	1,223.1
Total operating revenue		9,346.6	6,871.4	15,490.9	10,846.3	25,539.3
Personnel expenses		2,078.5	1,071.0	3,852.6	1,991.1	4,025.1
Aviation fuel		2,593.3	2,051.0	4,262.9	3,589.6	7,714.7
Airport and ATC charges		1,015.3	777.7	1,625.2	1,266.5	2,769.5
Handling charges		672.6	553.5	1,159.3	961.1	2,134.2
Technical maintenance expenses		287.2	191.5	568.3	349.8	697.6
Other operating expenses		886.8	632.9	1,782.7	1,218.5	2,409.1
Other losses/(gains)		-35.7	25.2	90.2	55.7	35.1
Total operating expenses excl lease, depr. and amort.		7,498.1	5,302.9	13,341.4	9,432.4	19,785.2
Share of net loss/(profit) of joint venture		2.0	0.0	2.0	0.0	0.0
Operating profit excl lease, depr. and amort. (EBITDAR)		1,846.5	1,568.5	2,147.6	1,414.0	5,754.1
Aircraft lease, depreciation and amortization		1,253.3	918.0	2,317.0	1,679.9	3,522.0
Operating profit (EBIT)		593.2	650.5	-169.4	-266.0	2,232.1
Interest income		94.7	54.3	179.0	83.6	231.3
Interest expense		287.2	212.6	566.1	374.9	848.0
Other financial income (expense)		76.5	45.8	130.3	103.7	188.5
Net financial items		-116.1	-112.5	-256.9	-187.6	-428.2
Profit (loss) before tax (EBT)		477.1	538.0	-426.3	-453.5	1,803.9
Income tax expense (income)		0.1	0.2	0.2	1.4	66.9
Net profit (loss)		477.1	537.9	-426.5	-455.0	1,736.9
Net profit (loss) attributable to:						
Owners of the parent company		477.1	537.9	-426.5	-455.0	1,736.9
Basic earnings per share (NOK)		0.46	0.54	-0.51	-0.56	1.70
Diluted earnings per share (NOK)		0.42	0.48	-0.51	-0.56	1.54

Consolidated statement of comprehensive income

<i>(unaudited in NOK million)</i>	Q2 2024	Q2 2023	H1 2024	H1 2023	Full Year 2023
Net profit (loss) for the period	477.1	537.9	-426.5	-455.0	1,736.9
Actuarial gains and losses	0.0	0.0	0.0	0.0	-20.3
Currency translation differences	-28.3	69.9	139.0	178.2	112.8
Gains/(losses) on cash flow hedges	-53.4	-77.2	424.4	-230.8	31.4
Hedging (gains)/losses reclassified to profit or loss	-42.8	74.9	-114.9	75.5	-169.8
Total comprehensive income for the period	352.5	605.4	22.0	-432.1	1,690.9
Total comprehensive income attributable to:					
Owners of the company	352.5	605.4	22.0	-432.1	1,690.9

Consolidated statement of financial position

<i>(unaudited in NOK million)</i>	Note	30 JUN 2024	30 JUN 2023	31 DEC 2023
ASSETS				
Intangible assets		2,621.5	2,112.6	2,161.7
Tangible assets	7	18,950.7	13,669.3	15,016.4
Other non-current assets		458.6	668.4	328.2
Total non-current assets		22,030.9	16,450.3	17,506.2
Inventory		516.5	198.9	259.6
Receivables and other current assets		5,613.4	4,321.5	3,306.3
Cash and cash equivalents	9	11,498.3	9,349.3	9,477.9
Total current assets		17,628.2	13,869.6	13,043.8
TOTAL ASSETS		39,659.1	30,319.9	30,550.0
EQUITY AND LIABILITIES				
Shareholders' equity	10	5,732.0	3,706.8	5,772.6
Total equity		5,732.0	3,706.8	5,772.6
Non-current debt	8	13,851.0	11,184.9	12,312.1
Other non-current liabilities		4,729.3	2,862.8	3,504.8
Total non-current liabilities		18,580.2	14,047.7	15,816.9
Air traffic settlement liabilities		7,757.6	6,415.8	3,202.5
Current debt	8	2,051.0	1,832.3	1,713.3
Other current liabilities		5,538.3	4,317.4	4,044.7
Total current liabilities		15,346.9	12,565.5	8,960.5
TOTAL LIABILITIES		33,927.1	26,613.1	24,777.4
TOTAL EQUITY AND LIABILITIES		39,659.1	30,319.9	30,550.0

Consolidated statement of cash flow

<i>(unaudited in NOK million)</i>	Q2 2024	Q2 2023	H1 2024	H1 2023	Full Year 2023
OPERATING ACTIVITIES					
Profit before tax	477.1	538.0	-426.3	-453.5	1,803.9
Paid taxes	-65.3	-0.6	-67.5	-0.7	-1.7
Depreciation, amortization and impairment	1,246.1	913.4	2,291.5	1,623.0	3,533.8
Changes in air traffic settlement liabilities	359.2	255.7	4,271.3	3,867.3	654.0
Changes in receivables	-685.6	-458.4	-1,720.9	-2,109.2	-1,217.1
Other adjustments	998.2	246.5	1,065.0	181.3	484.7
Net cash flows from operating activities	2,329.7	1,494.6	5,413.2	3,108.2	5,257.5
INVESTING ACTIVITIES					
Purchases, proceeds and prepayment of tangible assets	-205.8	-16.7	-509.0	-201.7	-495.1
Purchase of subsidiaries, net of cash acquired	0.0	0.0	-1,000.0	0.0	0.0
Other investing activities	-20.4	-16.4	-52.2	-29.8	-82.8
Net cash flows from investing activities	-226.2	-33.1	-1,561.3	-231.5	-577.9
FINANCING ACTIVITIES					
Loan proceeds	0.0	0.0	45.6	152.1	289.6
Principal repayments	-750.0	-541.7	-1,420.9	-1,159.2	-2,511.9
Financing costs paid	-288.8	-218.5	-490.2	-322.6	-745.1
Net cash flows from financing activities	-1,038.8	-760.2	-1,865.4	-1,329.6	-2,967.4
Net change in cash and cash equivalents	1,064.7	701.3	1,986.5	1,547.1	1,712.2
Foreign exchange effect on cash	-0.7	20.0	33.9	43.3	6.6
Cash and cash equivalents at beginning of period	10,434.4	8,628.0	9,477.9	7,759.0	7,759.0
Cash and cash equivalents at end of period	11,498.3	9,349.3	11,498.3	9,349.3	9,477.9

Consolidated statement of changes in equity

<i>(unaudited in NOK million)</i>	H1 2024	H1 2023	Full Year 2023
Equity - Beginning of period	5,772.6	4,203.4	4,203.4
Total comprehensive income for the period	22.0	-432.1	1,690.9
Share issue	19.5	291.1	293.4
Perpetual bonds issue and conversions	-19.5	-291.1	-293.4
Interest payment on perpetual bonds	-65.3	-68.0	-128.6
Equity change on employee options	2.6	3.5	6.8
Equity - End of period	5,732.0	3,706.8	5,772.6

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 2023 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 2023.

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 2023.

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 2023.

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.

Acquisition of Widerøe

On 12 January 2024, the Norwegian group has acquired Widerøe, a regional carrier in Norway. For detailed information on the acquisition of Widerøe, please refer to Note 31 to the consolidated financial statements for 2023.

Widerøe is consolidated in the group from 12 January 2024. Comparative financial information for periods prior to 2024 presented in this report have not been adjusted to include Widerøe.

Acquisition-related expenses of NOK 12 million are included in other operating expenses in the consolidated income statement for the first half of 2024.

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	37
1% increase in USD against NOK	126

The sensitivity analysis for changes in the jet fuel price is based on expected consumption for the 12-months 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-months period from quarter-end and incorporates jet fuel 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 primarily relates to revenue from handling services, commission from in-flight sales and revenue

from the loyalty program 'Norwegian Reward'. 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 2024	Q2 2023	Change	H1 2024	H1 2023	Change	Full Year 2023
Norway	4,833.4	2,651.2	82 %	8,330.2	4,309.8	93 %	9,693.4
Spain	1,101.0	1,001.5	10 %	1,986.6	1,714.5	16 %	4,089.8
Denmark	886.4	844.6	5 %	1,401.7	1,265.9	11 %	2,926.0
Sweden	840.0	804.6	4 %	1,268.8	1,154.8	10 %	2,496.4
United Kingdom	277.0	286.4	-3 %	458.1	443.2	3 %	1,026.2
Finland	232.8	270.8	-14 %	406.0	418.2	-3 %	934.5
Italy	195.5	185.8	5 %	261.0	235.5	11 %	369.9
France	172.7	175.3	-2 %	232.3	224.2	4 %	710.0
Poland	105.7	102.1	3 %	162.7	154.9	5 %	614.6
Germany	105.6	107.1	-1 %	173.5	167.1	4 %	350.5
Other	596.7	442.0	35 %	809.9	758.2	7 %	2,327.9
Total operating revenue	9,346.6	6,871.4	36 %	15,490.9	10,846.3	43 %	25,539.3

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 group's operating segments based on these reports.

Executive Management considers the airlines Norwegian and Widerøe as two separate operating segments.

Performance is measured by Executive Management based on the operating segments' earnings before interest, tax, aircraft lease, depreciation and amortization (EBITDAR).

The table below includes separate financial information for the group and its two operating segments. Financial information for the group and Widerøe would be approximately the same if Widerøe had been acquired on 1 January 2024.

Prior to the first quarter of 2024, the group consisted of only one operating segment, which is Norwegian. For comparative financial information for the group, please refer to the consolidated income statement in this report.

<i>(unaudited in NOK million)</i>	Q2 2024				H1 2024			
	Group	Norwegian	Widerøe	Elimination	Group	Norwegian	Widerøe	Elimination
Passenger revenue	7,820.0	6,179.2	1,640.8	0.0	12,946.0	10,053.1	2,892.9	0.0
Ancillary passenger revenue	1,256.6	1,221.4	35.2	0.0	1,987.5	1,909.5	78.0	0.0
Other revenue	270.0	141.1	206.3	-77.4	557.5	232.7	437.1	-112.3
Total operating revenue	9,346.6	7,541.7	1,882.2	-77.4	15,490.9	12,195.2	3,408.0	-112.3
Personnel expenses	2,078.5	1,339.9	738.6	0.0	3,852.6	2,409.6	1,443.0	0.0
Aviation fuel	2,593.3	2,360.4	233.0	0.0	4,262.9	3,835.3	427.7	0.0
Airport and ATC charges	1,015.3	923.8	91.6	0.0	1,625.2	1,458.5	166.7	0.0
Handling charges	672.6	639.5	93.9	-60.9	1,159.3	1,071.8	171.7	-84.1
Technical maintenance expenses	287.2	177.8	109.6	-0.2	568.3	366.5	202.0	-0.2
Other operating expenses	886.8	652.8	250.6	-16.6	1,782.7	1,299.3	511.2	-27.7
Other losses/(gains)	-35.7	-42.3	6.3	0.3	90.2	86.3	4.1	-0.2
Total operating expenses excl lease, depr. and amort.	7,498.1	6,051.8	1,523.6	-77.4	13,341.4	10,527.3	2,926.3	-112.3
Share of net loss/(profit) of joint venture	2.0	2.0	0.0	0.0	2.0	2.0	0.0	0.0
EBITDAR	1,846.5	1,487.9	358.6	0.0	2,147.6	1,666.0	481.6	0.0
Aircraft lease, depreciation and amortization	1,253.3	1,096.7	156.6	0.0	2,317.0	2,014.3	302.7	0.0
Operating profit (EBIT)	593.2	391.2	201.9	0.0	-169.4	-348.4	178.9	0.0
Interest income	94.7	92.3	2.4	0.0	179.0	174.0	5.0	0.0
Interest expense	287.2	260.6	26.6	0.0	566.1	511.3	54.8	0.0
Other financial income (expense)	76.5	59.7	16.7	0.0	130.3	137.8	-7.5	0.0
Net financial items	-116.1	-108.6	-7.5	0.0	-256.9	-199.5	-57.4	0.0
Profit (loss) before tax (EBT)	477.1	282.7	194.5	0.0	-426.3	-547.9	121.6	0.0
Income tax expense (income)	0.1	0.1	0.0	0.0	0.2	0.2	0.0	0.0
Net profit (loss)	477.1	282.6	194.5	0.0	-426.5	-548.0	121.6	0.0

Note 5 Information on related party transactions

For detailed information on related party transactions, please refer to Note 27 to the consolidated financial statements for 2023. There have been no significant transactions with related parties during the first half of 2024.

Note 6 Earnings per share

<i>(unaudited in NOK million)</i>	Q2 2024	Q2 2023	H1 2024	H1 2023	Full year 2023
Profit attributable to the owners of the company before PIK interest	477.1	537.9	-426.5	-445.0	1,736.9
Payment-in-kind interest on perpetual bonds recognized in equity	-34.1	-32.8	-66.7	-66.7	-126.3
Profit attributable to the owners of the company after PIK interest	442.9	505.1	-493.2	-521.7	1,610.7
Basic earnings per share (NOK)	0.46	0.54	-0.51	-0.56	1.70
Diluted earnings per share (NOK)*	0.42	0.48	-0.51	-0.56	1.54
<i>Specification of weighed average number of shares used in calculation of basic and diluted EPS</i>					
Ordinary shares for basic EPS	963,880,462	936,829,775	963,065,905	933,808,155	947,827,373
Perpetual bonds for diluted EPS	163,296,946	190,501,001	-	-	178,838,433
Share options	452,654	-	-	-	-
Weighted average number of ordinary shares diluted	1,127,630,062	1,127,330,776	963,065,905	933,808,155	1,126,665,806
<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	-	-	161,161,971	163,262,914	-
Share options	4,033,926	3,511,296	4,486,580	3,511,296	4,486,580

*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 7 Tangible assets

<i>(unaudited in NOK million)</i>	30 JUN 2024	30 JUN 2023	31 DEC 2023
Predelivery payments	3,279.5	3,209.8	3,072.1
Owned aircraft, parts and installations on leased aircraft	3,811.6	1,339.3	1,415.4
Right-of-use assets aircraft and parts	10,605.2	8,578.0	9,818.4
Aircraft, parts and installations	14,416.8	9,917.3	11,233.8
Other tangible assets owned	739.6	367.3	391.1
Right-of-use assets other	514.8	174.8	319.3
Other tangible assets	1,254.4	542.1	710.5
Total tangible assets	18,950.7	13,669.3	15,016.4
Total right-of-use assets	11,120.0	8,752.8	10,137.8

Note 8 Borrowings

<i>(unaudited in NOK million)</i>	30 JUN 2024	30 JUN 2023	31 DEC 2023
Bond issue	2,749.2	2,820.6	2,622.3
Aircraft financing	1,611.3	0.0	0.0
Lease liabilities	9,490.4	7,376.8	8,688.8
Other non-current debt	0.0	0.0	2.0
Non-current debt	13,851.0	11,184.9	12,312.1
Bond issue	0.0	124.1	0.0
Aircraft financing	109.7	86.2	84.2
Lease liabilities	1,866.9	1,584.1	1,591.4
Other current debt	74.4	37.7	37.7
Current debt	2,051.0	1,832.3	1,713.3
Total borrowings	15,902.0	13,017.1	14,025.3

Note 9 Dividend funds

An extraordinary general meeting in December 2023 authorised the Board to distribute dividends of up to NOK 0.25 per share for 2022. In May 2024, the general meeting authorised a dividend of NOK 0.60 per share for 2023. Distribution of dividends for both 2022 and 2023 is subject to approval from holders of the company's debt instruments. Until such approval is obtained, the company has set aside the amount and invested it in several

money market funds, all with investment grade ratings. The total amount, including interests, was NOK 823 million at the end of the second quarter. The amount is included in the line-item Cash and cash equivalents in the Consolidated statement of financial position as of 30 June 2024.

Note 10 Shareholder information

20 largest shareholders at 30 June 2024:

Name	Country	Number of shares	Percent
1 Geveran Trading Company, Ltd.	Cyprus	129,010,512	13.4 %
2 Folketrygdfondet	Norway	67,828,742	7.0 %
3 Sundt AS	Norway	51,397,265	5.3 %
4 CLEARSTREAM BANKING S.A.	Ireland	43,869,080	4.6 %
5 The Bank of New York Mellon SA/NV	United States	31,602,657	3.3 %
6 Nordnet Bank AB.	Norway	27,256,630	2.8 %
7 Avanza Bank AB	United States	25,526,139	2.6 %
8 BARCLAYS CAPITAL INC	United Kingdom	23,870,640	2.5 %
9 Verdipapirfondet DNB Norge	Sweden	12,845,563	1.3 %
10 State Street Bank and Trust Comp	Sweden	11,570,809	1.2 %
11 State Street Bank and Trust Comp	Norway	11,350,645	1.2 %
12 Verdipapirfondet Nordea Norge Verdi	United States	10,598,403	1.1 %
13 Danske Bank A/S	Norway	10,459,326	1.1 %
14 VPF DNB Norge Selektiv	Canada	10,194,115	1.1 %
15 Saxo Bank A/S	Norway	8,907,329	0.9 %
16 Verdipapirfondet KLP Norge IN	United States	8,115,906	0.8 %
17 State Street Bank and Trust Comp	United Kingdom	8,020,393	0.8 %
18 VPF DNB AM NORSKE AKSJER	United Kingdom	7,518,210	0.8 %
19 Swedbank AB	France	7,012,700	0.7 %
20 Brumm AS	Norway	6,585,480	0.7 %
Top 20 shareholders		513,540,544	53.3 %
Other shareholders		450,339,918	46.7 %
Total number of shares		963,880,462	100.0 %

In the first half of 2024 there have been two conversions of perpetual bonds, where a total of NOK 19.5 million have been converted. The company have issued total 2,109,556 new shares

in these conversions. Norwegian Air Shuttle ASA had a total of 963,880,462 shares outstanding as of 30 June 2024. There were 80,461 shareholders at the end of the second quarter of 2024.

Note 11 Fair value estimation

<i>(unaudited in NOK million)</i>	30 JUN 2024	30 JUN 2024	31 DEC 2023	31 DEC 2023
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through profit or loss	38.2	38.2	16.1	16.1
Financial assets at fair value through OCI	177.3	177.3	36.9	36.9
Financial assets at amortized cost	16,519.3	16,519.3	11,642.4	11,642.4
Total financial assets	16,734.7	16,734.7	11,695.4	11,695.4
Financial liabilities at fair value through OCI	27.8	27.8	176.1	176.1
Financial liabilities at amortized cost	20,477.8	20,410.0	17,164.6	17,090.9
Total financial liabilities	20,505.6	20,437.8	17,340.7	17,267.0

The company's financial assets and liabilities are measured at fair value in the statement of financial position based on the fair value measurement levels below:

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 group had one financial instrument in this category at 30 June 2024 and 31 December 2023, Norwegian Block Exchange.

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 group had two financial instruments in this category at 30 June 2024, investments in Norsk e-Fuel AS and Pilot Flight Academy AS (31 December 2023: one financial instrument, investment in Norsk e-Fuel AS). No changes in fair value have been recognised for these investments after initial recognition.

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

<i>(unaudited in NOK million)</i>	30 JUN 2024			31 DEC 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Derivative financial assets, non-current	-	20.1	-	-	-	-
Derivative financial assets, current	-	157.2	-	-	36.9	-
Total financial assets at fair value through OCI	-	177.3	-	-	36.9	-
Investment financial assets, non-current	3.7	-	34.5	3.7	-	12.4
Total financial assets at fair value through profit or loss	3.7	-	34.5	3.7	-	12.4
Financial liabilities						
Derivative financial liabilities, non-current	-	5.1	-	-	67.4	-
Derivative financial liabilities, current	-	22.7	-	-	108.7	-
Total financial liabilities at fair value through OCI	-	27.8	-	-	176.1	-

Note 12 Quarterly data

<i>(unaudited in NOK million)</i>	Q1 2024	Q2 2024	H1 2024
Passenger revenue	5,126.0	7,820.0	12,946.0
Ancillary passenger revenue	730.9	1,256.6	1,987.5
Other revenue	287.5	270.0	557.5
Total operating revenue	6,144.4	9,346.6	15,490.9
Personnel expenses	1,774.1	2,078.5	3,852.6
Aviation fuel	1,669.6	2,593.3	4,262.9
Airport and ATC charges	609.9	1,015.3	1,625.2
Handling charges	486.7	672.6	1,159.3
Technical maintenance expenses	281.1	287.2	568.3
Other operating expenses	895.9	886.8	1,782.7
Other losses/(gains)	126.0	-35.7	90.2
Total operating expenses excl lease, depr. and amort.	5,843.2	7,498.1	13,341.4
Share of net loss/(profit) of joint venture	0.0	2.0	2.0
Operating profit excl lease, depr. and amort. (EBITDAR)	301.1	1,846.5	2,147.6
Aircraft lease, depreciation and amortization	1,063.8	1,253.3	2,317.0
Operating profit (EBIT)	-762.6	593.2	-169.4
Interest income	84.3	94.7	179.0
Interest expense	278.9	287.2	566.1
Other financial income (expense)	53.8	76.5	130.3
Net financial items	-140.8	-116.1	-256.9
Profit (loss) before tax (EBT)	-903.4	477.1	-426.3
Income tax expense (income)	0.1	0.1	0.2
Net profit (loss)	-903.5	477.1	-426.5

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 281 million at the end of the second quarter of 2024. 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.

Effective 21 March 2024, regulation 23 December 2004 concerning mandatory quotas and the trading of emission

allowances for greenhouse gases (the Allowance Regulation) (Nw.: klimavoteforskriften) implementing Regulation (EU) 2023/2904 require "compliance status A" in the EU greenhouse gas emission trading registry for transfers of free allowances. Currently, NAS holds "compliance status B" as the group's obligation to surrender 372,000 emission allowances for 2020 emissions was settled through dividends in accordance with Norwegian insolvency law during restructuring negotiations. The Norwegian Environment Agency contends that the obligation to surrender allowances cannot be settled by dividend in insolvency proceedings. Although the relationship between Norwegian insolvency law and the Allowance Regulation is unclear, NAS believes that the obligation to surrender emissions allowances for 2020 emissions has been settled and that NAS should be awarded free allowances. The liability for allowances related to CO2 emissions in the first half of 2024 is measured based on the assumption that the group will receive free allowances for 2024. The liability per 30 June 2024 would be higher by approximately NOK 196 million if NAS expected not to receive free allowances for 2024. Fuel cost would accordingly be higher by NOK 196 million for the first half year and by NOK 126 million for the second quarter of 2024.

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 2024. 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 consolidated financial statements for 2023.

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 took place on 14 May 2024. At closing, Norwegian recognized an

equity investment in the jointly held company and an insignificant gain from deconsolidating the previously fully-consolidated entity. The liabilities related to CashPoints issued before closing of the transaction remain with Norwegian.

Note 15 Events after the reporting period

There have been no events subsequent to the reporting period that might have a significant effect on the financial report for the first half year of 2024.

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the first half year of 2024 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, 11 July 2024

The Board of Directors of Norwegian Air Shuttle ASA

/s/ Svein Harald Øygard

Chair

/s/ Lars Rahbæk Boilesen

Director

/s/ Karina Deacon

Director

/s/ Stephen Kavanagh

Director

/s/ Katherine Jane Sherry

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.

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 2024	Q2 2023	H1 2024	H1 2023	Full Year 2023
<u>Operating profit (EBIT) to EBIT excl other losses/(gains)</u>					
Operating profit (EBIT)	593.2	650.5	-169.4	-266.0	2,232.1
- Other losses/(gains)*	-35.7	25.2	90.2	55.7	35.1
EBIT excl other losses/(gains)	557.4	675.7	-79.2	-210.3	2,267.2
<u>EBITDAR to EBITDAR excl other losses/(gains)</u>					
EBITDAR	1,846.5	1,568.5	2,147.6	1,414.0	5,754.1
- Other losses/(gains)*	-35.7	25.2	90.2	55.7	35.1
EBITDAR excl other losses/(gains)	1,810.7	1,593.7	2,237.8	1,469.6	5,789.2
<u>Net profit (EBT) to EBT excl other losses/(gains) and impairment</u>					
Profit (loss) before tax (EBT)	477.1	538.0	-426.3	-453.5	1,803.9
- Other losses/(gains)*	-35.7	25.2	90.2	55.7	35.1
EBT excl other losses/(gains) and impairment	441.4	563.2	-336.1	-397.9	1,839.0
<u>Net interest bearing debt</u>					
Cash and cash equivalents			11,498.3	9,349.3	9,477.9
Aircraft financing			13,078.4	9,953.8	11,301.1
NAS13			0.0	440.9	0.0
Other IB debt			74.4	120.7	102.0
Retained Claims bonds			2,749.2	2,501.8	2,622.3
Net interest-bearing debt			4,403.7	3,667.9	4,547.5

* 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	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
CO ₂ per seat	Amount of CO ₂ emissions divided by available passenger seats
Constant currency	A currency exchange rate that excludes the impact of exchange rate fluctuations from comparable period, e.g. 2023 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

Norwegian Air Shuttle ASA

Mailing address	P.O. Box 113 NO-1366 Lysaker
Visiting address	Oksenøyveien 3, Fornebu
Telephone	+47 67 59 30 00
Internet	norwegian.com
Organisation number	NO 965 920 358 MVA

Board of directors

Svein Harald Øygaard	Chair
Lars Rahbæk Boilesen	Director
Karina Deacon*	Director
Stephen Kavanagh	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
Henrik Fjeld	Chief Operations Officer
Tore Jenssen	CEO Widerøe

Investor relations

Jesper M. Hatletveit	investor.relations@norwegian.com
VP Investor Relations	norwegian.com/us/about/company/investor-relations/

Financial calendar 2024

12 July	Q2 2024 Results
6 August	Monthly traffic data July
5 September	Monthly traffic data August
4 October	Monthly traffic data September
25 October	Q3 2024 Results
6 November	Monthly traffic data October
5 December	Monthly traffic data November

*Mrs. Karina Deacon replaced Mrs. Ingrid Elvira Leisner as Director to the Board of Directors following the general meeting held on 15 May 2024.