

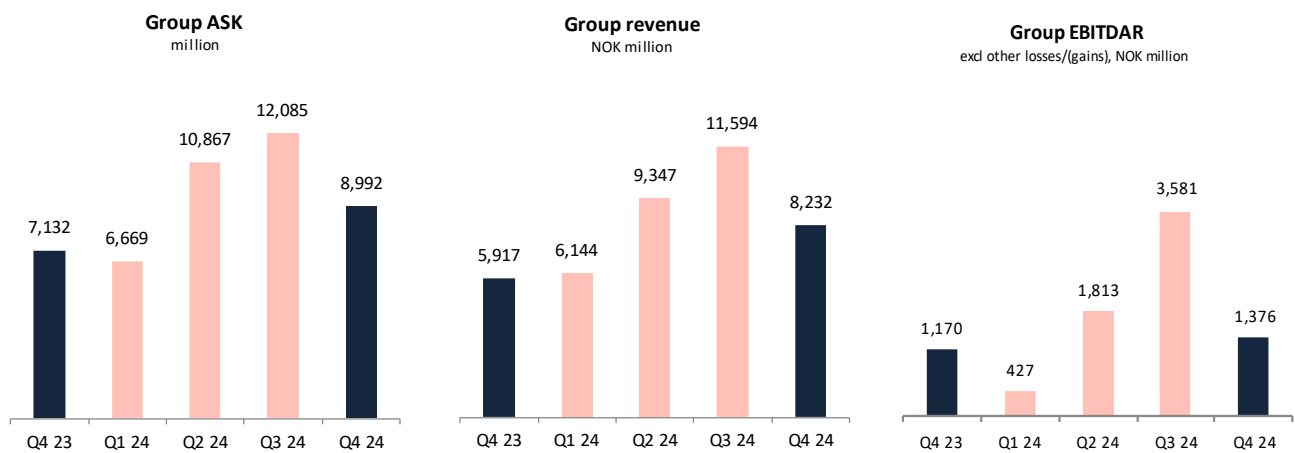


Norwegian Air Shuttle ASA

Fourth quarter 2024 financial report

- Norwegian growing market share – 10% passenger growth YoY
- Q4 EBIT negative NOK 93m – impacted by currency translation effects
- 2024 net profit NOK 1,355m – dividend provision NOK 0.60 per share
- Ruling in favour for 2020 ETS – expected return of NOK 400m penalty and interest

The Norwegian Group delivers full-year operating profit (EBIT) of NOK 1,873 million following fourth quarter with negative non-recurring currency effects



The Norwegian Group today reported its fourth quarter and preliminary full-year results for 2024. The figures demonstrate the group’s ability to deliver good financial results in a winter period with seasonally lower demand and a challenging operational environment.

For the full-year of 2024, the Norwegian Group delivered an operating profit (EBIT) of NOK 1,873 million, the second highest in company history. The corresponding operating margin was 5.3 percent. For the fourth quarter of 2024, the group recorded a negative operating result (EBIT) of NOK 93 million. Both the full-year and quarterly operating results were impacted particularly negatively by the weakening of the NOK against USD due to balance sheet translation effects. The liquidity position was NOK 10.9 billion at year-end, including NOK 1 billion in short-term fixed income fund investments placed during the quarter. The Norwegian fleet comprised 86 aircraft at year-end, of which 22 aircraft were latest technology 737 MAX 8 aircraft. The Widerøe fleet comprised 49 aircraft.

The Norwegian Group had 6.2 million passengers in the quarter, of which 5.2 million were passengers of Norwegian and 1.0 million of Widerøe. Compared to the same period last year, the number of passengers increased by 480,000 and 126,000 for Norwegian and Widerøe, respectively. For the full-year of 2024, Norwegian had 22.6 million passengers, up 10 percent from the previous year. Widerøe had 3.8 million passengers in 2024, a historic record for the airline. Production (ASK) for Norwegian increased by 19 percent in the fourth quarter, while Widerøe production increased by 4 percent. The quarterly load factor for Norwegian was 84.2 percent, down 0.2 percentage points from the same period last year. For Widerøe, the quarterly load factor was 72.9 percent, an improvement of 4.6 percentage points.

For Norwegian, punctuality measured by share of flights departing on schedule was 78.4 percent in the quarter, while it was 77.5 percent for Widerøe. Regularity was 99.1 percent and 92.6 percent respectively. Operational performance for both airlines was negatively impacted by adverse winter weather and operational issues. In addition, Widerøe’s operational performance was impeded by a “go-slow” industrial action among aircraft technicians.

Norwegian and Strawberry’s new digital loyalty currency, Spenn, was launched in November. Spenn makes it easier to earn and use points across loyalty programmes.

In December, the Oslo District Court ruled fully in favour of Norwegian for the EU ETS obligation for 2020, during a period

when Norwegian was under reconstruction. The court ruled that Norwegian was entitled to fulfil its EU ETS obligations for 2020 by offering dividend and that the imposed penalty of close to NOK 400 million was unlawful. Norwegian is entitled to a full refund of the penalty amount plus interest if the decision becomes final. The Ministry of Climate and Environment has appealed the ruling.

During the quarter, Norwegian entered into agreements with three reputable banks and lessors for the financing of the initial 18 aircraft deliveries for the company’s aircraft order with Boeing. The company has also signed LOIs with two more banks for additional seven aircraft. 13 of these in total 25 aircraft will be owned by the company, while 12 are subject to sale-lease-back transactions.

17 October marked the defence sector’s first usage of biofuel for their business trips contract with Norwegian, the largest voluntary biofuel agreement in Norway’s aviation history. Norwegian was in December named among the top three airlines globally for sustainable aviation fuel commitment by advocacy group T&E.

Distribution of profits to shareholders for 2024

The Board of Directors intends to propose to the AGM of 2025 a distribution of profits of NOK 0.60 per share for 2024, to be paid out either through dividend or buy-back of shares. The proposed distribution corresponds to an aggregate amount of NOK 580 million and a payout ratio of 48 percent. The timing and distribution of profits for 2024 is currently subject to certain conditions in the company’s debt instruments. Distribution of profits for 2022 and 2023 have been set aside in a dividend fund with the intention to disburse these funds at a later date when such distribution is permissible.

Looking ahead to a successful 2025

For the remainder of the winter season, Norwegian will keep a reduced capacity level that matches the seasonally lower demand. From March and into the Easter period in April, the airline will ramp-up capacity into the busy travel season. Norwegian expects that its fleet will grow to 88 aircraft for the peak summer 2025 season and is forecasting a full-year production growth of 4 percent.

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

Group consolidated key financial figures

<i>(unaudited in NOK million)</i>	Q4		Q4 2024		Q4 2023 Norwegian*	Change	Full year		FY 2023	
	2024	Norwegian	Widerøe				2024	Norwegian	Change	
Operating revenue	8,232.1	6,430.6	1,888.5		5,917.4	39 %	35,316.8	25,539.3	38 %	
EBITDAR	1,179.2	855.8	323.4		1,198.9	-2 %	6,906.6	5,754.1	20 %	
EBITDAR excl other losses/(gains)	1,375.8	1,057.6	318.2		1,169.6	18 %	7,197.1	5,789.2	24 %	
Operating profit (EBIT)	-93.2	-221.6	128.4		327.8	NM	1,872.6	2,232.1	-16 %	
EBIT excl other losses/(gains)	103.5	-19.8	123.2		298.4	-65 %	2,163.1	2,267.2	-5 %	
Profit (loss) before tax (EBT)	-222.5	-293.2	70.8		207.8	NM	1,355.4	1,803.9	-25 %	
Net profit (loss)	-222.6	-293.4	70.8		152.8	NM	1,355.1	1,736.9	-22 %	
EBITDAR margin	14.3 %	13.3 %	17.1 %		20.3 %		19.6 %	22.5 %		
EBIT margin	-1.1 %	-3.4 %	6.8 %		5.5 %		5.3 %	8.7 %		
EBT margin	-2.7 %	-4.6 %	3.7 %		3.5 %		3.8 %	7.1 %		
Net profit margin	-2.7 %	-4.6 %	3.7 %		2.6 %		3.8 %	6.8 %		
Book equity per share (NOK)							7.5	6.0	25 %	
Equity ratio (%)							19.3 %	18.9 %	0.4 pp	
Cash and cash equivalents							9,868.4	9,477.9	4 %	
Net interest-bearing debt							5,197.2	4,547.5	14 %	

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

Traffic figures and ratios

<i>(unaudited ratios in NOK)</i>	Q4 2024			Q4 2023		Full year 2024			FY 2023	
	Group	Norwegian	Widerøe	Norwegian	Change*	Group	Norwegian	Widerøe	Norwegian	Change*
Yield - total	1.06	0.88	4.44	0.90	18 %	1.05	0.90	4.23	0.89	18 %
Unit revenue - total	0.88	0.74	3.24	0.76	17 %	0.89	0.76	3.05	0.75	18 %
Unit cost		0.76		0.79	-4 %		0.73		0.72	1 %
Unit cost excl fuel		0.53		0.53	0 %		0.50		0.48	4 %
Ancillary revenue per passenger	164	188	38	173	-5 %	173	195	42	179	-4 %
ASK (million)	8,993	8,484	509	7,132	26 %	38,614	36,531	2,083	32,322	19 %
RPK (million)	7,511	7,139	371	6,019	25 %	32,544	31,039	1,505	27,383	19 %
Passengers (million)	6.20	5.21	0.99	4.72	31 %	26.43	22.63	3.80	20.61	28 %
Load factor	83.5 %	84.2 %	72.9 %	84.4 %	-0.9 pp	84.3 %	85.0 %	72.3 %	84.7 %	-0.4 pp
Average sector length (km)	837	1,288	271	1,167	-28 %	857	1,292	276	1,222	-30 %
Number of aircraft	135	86	49	87	55 %	135	86	49	87	55 %
Fuel consumption (1,000 mt)	180	164	16	142	16 %	770	706	64	645	20 %
CO2 per RPK		72		74	-3 %		72		74	-3 %
CO2 per seat			33					32		

*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, consolidated financials include Widerøe from 12 January 2024. Consolidated financials for the periods prior to 2024 do not include Widerøe.

The Norwegian Group has experienced strong demand trends across markets this summer and through the month of October. From November, Norwegian has reduced capacity in accordance with seasonal reduction in demand. The fourth quarter results are affected by macroeconomic factors, predominantly relating to the weakening of the NOK against the USD and EUR.

EBITDAR for the group was NOK 1,179 million in the fourth quarter of 2024, of which NOK 323 million related to Widerøe and group internal eliminations, compared to NOK 1,199 million in the fourth quarter of 2023. EBITDAR excl. other losses/(gains) was NOK 1,376 million, up from NOK 1,170 million in the same period last year. Other losses/(gains) amounted to a net loss of NOK 197 million in the quarter and primarily consisted of non-recurring effects related to the balance sheet translation to NOK of USD denominated operating liabilities. EBITDAR for the full-year of 2024 amounted to NOK 6,907 million, while EBITDAR excl. other losses/(gains) amounted to NOK 7,197 million.

Operating profit (EBIT) for the group was negative NOK 93 million in the fourth quarter of 2024, of which positive NOK 128 million related to Widerøe, compared to NOK 328 million in the same period last year. The group operating margin was negative 1.1 percent, compared to 5.5 percent in the same period last year. Operating profit (EBIT) excl. other losses/(gains) was NOK 103 million, compared to NOK 298 million in the same period last year. EBIT for 2024 amounted to NOK 1,873 million, while the full-year EBIT margin was 5.3 percent, down from 8.7 percent in the previous year. EBIT margin excl. other losses/(gains) amounted to 6.1 percent.

Profit before tax (EBT) for the group was negative NOK 222 million in the fourth quarter of 2024, of which positive NOK 71 million related to Widerøe, compared to NOK 208 million in the same period last year. EBT for the full-year of 2024 was NOK 1,355 million.

Revenue

Total operating revenue for the group in the fourth quarter of 2024 increased to NOK 8,232 million, of which NOK 1,888 million related to Widerøe, compared to NOK 5,917 million in the fourth quarter of 2023. Passenger revenue was NOK 6,916 million, compared to NOK 4,582 million in the same period last year, and includes revenue from the Norwegian government related to Widerøe's public service obligation (PSO) routes. Ancillary passenger revenue was NOK 1,016 million, compared to NOK 816 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 programme 'Norwegian Reward' and amounted to NOK 300 million in the quarter, down from NOK 519 million in the same period last year. Other revenue was in the fourth quarter of 2023 positively impacted by the expiration of CashPoints issued during the COVID-19 pandemic and the settlement of a trademark dispute with Bank Norwegian in November of 2023. Total operating revenue for the full-year of 2024 amounted to NOK 35,317 million, up from NOK 25,539 million in the previous year.

Operational expenses

Total operating expenses excluding aircraft lease, depreciation and amortisation for the group amounted to NOK 7,053 million in the fourth quarter of 2024, compared to NOK 4,718 million in the fourth quarter of 2023. Total operating expenses adjusted for other losses/(gains) amounted to NOK 6,856 million. Expenses for aviation fuel amounted to NOK 2,176 million, compared to NOK 1,817 million in the same period last year. Expenses for aviation fuel corresponded to 31 percent of total operating expenses excluding aircraft lease, depreciation and amortisation, down from 38 percent in the same period last year.

Lease and rental expenses

Aircraft lease, depreciation and amortisation for the group amounted to NOK 1,272 million in the fourth quarter of 2024, compared to NOK 871 million in the fourth quarter of 2023. Aircraft lease, depreciation and amortisation was in the fourth quarter of 2023 positively impacted by compensation related to delayed delivery of aircraft. For the full-year of 2024, aircraft lease, depreciation and amortisation amounted to NOK 5,034 million.

Financial items

Net financial items for the group amounted to negative NOK 127 million in the fourth quarter of 2024, compared to negative NOK 120 million in the fourth quarter of 2023. Interest expenses amounting to NOK 284 million for the quarter included NOK 187 million in interest expenses on lease liabilities recognised according to IFRS 16. Other financial income (expense) amounted to a net gain of NOK 61 million in the quarter. For the full-year of 2024, net financial items amounted to negative NOK 508 million.

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 reduced from the previous quarter, in accordance with expected seasonality, but developed positively compared to the fourth quarter of 2023. Capacity measured by available seat kilometres (ASK) increased by 19 percent compared to the same period last year as the company operated new routes and added frequencies to leisure routes to both warmer destinations and to winter holiday destinations in northern Norway and Finland. Load factor and yield decreased moderately compared to the same period last year.

For the fourth quarter of 2024, Norwegian had 5.2 million passengers, 480,000 more passengers than in the fourth quarter of 2023. Production (ASK) for the quarter was 8,484 million kilometres, up 19 percent from the same period last year. Passenger traffic measured by revenue passenger kilometres (RPK) was 7,139 million kilometres, up 19 percent from the same period last year. The quarterly load factor was 84.2 percent, down 0.2 percentage points from the same period last year. The average sector length was 1,288 kilometres, an increase of 10 percent compared to the same period last year. The increase in the average sector length had a negative impact on yield and unit revenue this quarter.

At the end of 2024, Norwegian's fleet comprised 86 aircraft, all Boeing 737 aircraft of which 22 were latest technology 737 MAX 8 aircraft. During the quarter, no aircraft were delivered to Norwegian and no aircraft were redelivered to lessors. Including wet-lease operations, 78 aircraft were on average utilised during the quarter. Each aircraft was on average utilised 10.5 block hours per day, up from 10.0 block hours per day in the same period last year.

Operating performance

Punctuality, share of Norwegian's flights departing on schedule, was 78.4 percent in the fourth quarter of 2024, down from 81.5 percent in the fourth quarter of 2023. Punctuality this quarter was negatively impacted by adverse winter weather and operational issues at airports throughout Europe and the Nordics. Share of flights arriving within one hour of scheduled arrival time was 95.3 percent. Regularity, share of flights taking place, was 99.1 percent this quarter, down from 99.6 percent in the same period last year. Cirium, the global aviation analytics provider named Norwegian Air Shuttle (DY) Europe's fourth most punctual airline in October. For 2024, Cirium named Norwegian Air Shuttle (DY) as Europe's fifth most punctual airline and the seventh most punctual airline among global low-cost carriers.

Norwegian financial review

EBITDAR for Norwegian was NOK 856 million in the fourth quarter of 2024, compared to NOK 1,199 million in the fourth quarter of 2023. EBITDAR excl. other losses/(gains) was NOK 1,058 million, compared to NOK 1,170 million in the same period last year. Other losses/(gains) amounted to a net loss of NOK 202 million and primarily consisted of non-recurring effects related to the balance sheet translation to NOK of USD denominated operating liabilities. Operating profit (EBIT) was negative NOK 222 million, compared to NOK 328 million in the same period last year. Profit before tax (EBT) was negative NOK 293 million, compared to NOK 208 million in the same period last year.

Total operating revenue for Norwegian increased to NOK 6,431 million from NOK 5,917 million in the same period last year. Passenger revenue was NOK 5,306 million, while ancillary passenger revenue was NOK 978 million. Other revenue primarily relates to commission from in-flight sales and revenue from the loyalty programme 'Norwegian Reward' and amounted to NOK 147 million, compared to NOK 519 million in the same period last year. Other revenue was in the fourth quarter of 2023 positively impacted by the expiration of CashPoints issued during the COVID-19 pandemic and the settlement of a trademark dispute with Bank Norwegian.

Unit revenue including flight related ancillary revenue was NOK 0.74 in the quarter, down from NOK 0.76 in the same period last year. Yield including flight related ancillary revenues was NOK 0.88, compared to NOK 0.90 in the same period last year. Yield and unit revenue was negatively impacted by the 10 percent increase in average sector length this quarter. Ancillary revenue per passenger was NOK 188 in the quarter, compared to NOK 173 in the same period last year.

Total operating expenses excluding aircraft lease, depreciation and amortisation for Norwegian was NOK 5,575 million in the quarter, compared to NOK 4,718 million in the same period last year. Total operating expenses adjusted for losses/(gains) amounted to NOK 5,372 million. Expenses for aviation fuel amounted to NOK 1,933 million, corresponding to 35 percent of total operating expenses excluding aircraft lease, depreciation and amortisation.

Aircraft lease, depreciation and amortisation amounted to NOK 1,077 million in the quarter, compared to NOK 871 million in the same period last year. The increase is predominately a result of the replacement of older 737-800 NG aircraft with latest technology 737 MAX 8 aircraft that have significantly lower fuel burn, costs for external wet-lease capacity and higher accrual of maintenance obligations due to the higher production this quarter. Costs related to external wet-lease capacity sourced to counter aircraft delivery delays amounted to NOK 107 million in the quarter, costs that were partially offset by compensation for delivery delays.

Unit cost, which excludes other losses/(gains) and includes aircraft lease, depreciation and amortisation, amounted to NOK 0.76 in the quarter, a reduction of 4 percent from the same period last year. Unit cost excluding fuel amounted to NOK 0.53, unchanged from the same period last year. Unit cost excluding fuel for the full-year of 2024 amounted to NOK 0.50, an increase of 4 percent from the previous year.

Net financial items amounted to negative NOK 70 million in the quarter, compared to negative NOK 120 million in the same period last year. Interest expenses amounting to NOK 261 million for the quarter included NOK 177 million in interest expenses on lease liabilities recognised according to IFRS 16. Other financial income (expense) amounted to a net gain of NOK 99 million in the quarter.

Widerøe segment

This segment solely relates to Widerøe with affiliated subsidiaries.

Traffic development

Passenger demand for Widerøe in the fourth quarter of 2024 developed significantly positive from the same period last year. The number of passengers increased by 15 percent, while the load factor increased by almost 5 percentage points.

Widerøe had 995,000 passengers in the quarter, up 126,000 passengers from the fourth quarter of 2023. Production (ASK) for the quarter was 509 million kilometres, an increase of 4 percent from the same period last year. Passenger traffic (RPK) was 371 million kilometres, up 11 percent from the same period last year. The quarterly load factor was 72.9 percent, up 4.6 percentage points from the same period last year. The increase in load factor was predominately a result of an improved load factor on both Widerøe's commercial and PSO route network. For the full-year of 2024, Widerøe had 3.8 million passengers, an increase of 11 percent from the previous year.

At the end 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

Operating performance was in the November and December significantly impacted by adverse winter weather conditions and a "go-slow" industrial action among Widerøe aircraft technicians. The action ended after Widerøe reached an agreement with the Norwegian Aircraft Technician Organisation (NFO) in December. Punctuality, share of Widerøe's flights departing on schedule, was 77.5 percent in the fourth quarter of 2024, compared to 83.5 percent in the fourth quarter of 2023. Regularity, share of flights taking place, was 92.6 percent this quarter, compared to 96.9 percent in the same period last year.

Widerøe financial review

EBITDAR for Widerøe was NOK 323 million in the fourth quarter of 2024. Operating profit (EBIT) was NOK 128 million, while profit before tax (EBT) was NOK 71 million. EBIT for the full-year of 2024 amounted to NOK 499 million, while EBT amounted to NOK 366 million.

Total operating revenue for Widerøe was NOK 1,888 million in the quarter. Passenger revenue was NOK 1,611 million and includes government revenues from PSO operations. Ancillary passenger revenue was NOK 38 million. Other revenue was NOK 240 million and is predominately comprised of the sale of ground handling services to third-parties and Norwegian, 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 3.24. Yield including compensation for PSO operations and flight related ancillary revenue was NOK 4.44.

Total operating expenses excluding aircraft lease, depreciation and amortisation for Widerøe was NOK 1,565 million in the quarter. Expenses for aviation fuel amounted to NOK 243 million.

Aircraft lease, depreciation and amortisation amounted to NOK 195 million in the quarter.

Net financial items amounted to negative NOK 58 million in the quarter. Interest expenses amounting to NOK 23 million for the quarter included NOK 10 million in interest expenses on lease liabilities recognised according to IFRS 16. Other financial income (expense) amounted to a net loss of NOK 37 million in the quarter and primarily related to non-recurring effects due to the balance sheet translation to NOK of USD denominated lease liabilities.

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 2024 amounted to NOK 5,197 million, compared to NOK 4,548 million at the end of 2023. Compared to the previous quarter, net interest-bearing debt increased by NOK 1,314 million, predominately a result of increased lease liabilities due to the weakening of NOK against USD during the quarter. Included in net-interest bearing debt is the zero coupon Retained Claims Bonds, amounting to NOK 2,814 million at year-end. In November, the company completed a repurchase of NOK 73 million of the Retained Claims Bonds at a price of 92 percent of par value. 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 7,241 million at year-end, up from NOK 5,773 million at the end of the same period last year.

Non-current assets

Total non-current assets amounted to NOK 22,346 million at the end of 2024, compared to NOK 17,506 million at the end of 2023 and NOK 21,503 million at the end of the previous quarter.

Intangible assets amounted to NOK 2,429 million at year-end and included NOK 1,842 million in deferred tax assets.

Tangible assets amounted to NOK 19,403 million at year-end, compared to NOK 15,016 million at the end of the same period last year and NOK 18,452 million at the end of the previous quarter, and was predominately comprised of owned aircraft, right-of-use assets for leased aircraft and prepayments for ordered aircraft. Prepayments for ordered aircraft amounted to NOK 3,497 million and relate 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 15,254 million at the end of 2024, compared to NOK 13,044 million at the end of 2023 and NOK 16,012 million at the end of the previous quarter.

Cash and cash equivalents amounted to NOK 9,868 million at year-end, corresponding to an increase of NOK 391 million from the end of the same period last year. Compared to the previous quarter, cash and cash equivalents reduced by NOK 1,589 million, predominately a result of short-term investments made during the quarter in fixed income funds with higher expected returns and a slightly higher risk profile, investments which are not classified as cash and cash equivalents and that amounted to NOK 1,012 million at year-end. Included in cash and cash equivalents is NOK 848 million set aside 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 17,234 million at the end of 2024, compared to NOK 15,817 million at the end of 2023 and NOK 16,145 million at the end of the previous quarter.

Non-current lease liabilities amounted to NOK 9,301 million at year-end, compared to NOK 8,689 million at the end of the same period last year and NOK 8,856 million at the end of the previous quarter.

Current liabilities

Total current liabilities amounted to NOK 13,125 million at the end of 2024, compared to NOK 8,960 million at the end of 2023 and NOK 14,260 million at the end of the previous quarter.

Air traffic settlement liabilities amounted to NOK 4,143 million at year-end, up from NOK 3,203 million at the end of the same period last year. Air traffic settlement liabilities were down NOK 1,090 million from NOK 5,233 million at the end of the previous quarter in accordance with projected seasonality.

Other current liabilities amounted to NOK 5,154 million at the end of the quarter, of which CashPoint liabilities amounted to NOK 521 million.

Equity

Equity at the end of 2024 amounted to NOK 7,241 million, compared to NOK 5,773 million at the end of 2023 and NOK 7,111 million at the end of the previous quarter. The corresponding equity ratio was 19.3 percent, an increase of 0.4 percentage points compared to the same period last year.

Group cash flow

Cash and cash equivalents amounted to NOK 9,868 million at the end of 2024, an increase of NOK 391 million from the end of 2023. Compared to the previous quarter, cash and cash equivalents decreased by NOK 1,589 million, primarily due to short-term investments in fixed income funds made during the fourth quarter.

Cash flow from operating activities

Cash flow from operating activities in the fourth quarter of 2024 amounted to positive NOK 411 million, compared to positive NOK 938 million in the fourth quarter of 2023. Air traffic settlement liabilities decreased by NOK 1,090 million during the quarter while receivables decreased by NOK 180 million. Other adjustments amounted to positive NOK 390 million during the quarter. Other adjustments primarily relate to finance items, changes in other assets, other liabilities and non-cash effects included in profit before tax.

For 2024, cash flow from operating activities amounted to positive NOK 6,946 million, compared to positive 5,258 million for 2023. The increase in cash flow from operating activities compared to the previous year is primarily due to timing effects related to the purchase of EU ETS allowances.

Cash flow from investing activities

Cash flow from investing activities in the fourth quarter of 2024 amounted to negative NOK 1,268 million and included short-term investments in fixed income investments funds made during the quarter, investments that amounted to NOK 1,012 million at year-end. In the same period last year, cash flow from investing activities amounted to negative NOK 270 million.

For 2024, cash flow from investing activities amounted to negative NOK 3,215 million and included NOK 1,020 million in net cash outflow in relation to the acquisition of Widerøe. For 2023, cash flow from investment activities amounted to negative NOK 578 million.

Cash flow from financing activities

Cash flow from financing activities in the fourth quarter of 2024 amounted to negative NOK 766 million, compared to negative NOK 541 million in the fourth quarter of 2023.

For 2024, cash flow from financing activities amounted to negative NOK 3,397 million, compared to negative NOK 2,967 million for 2023.

Risk and uncertainties

The Norwegian Group 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 group's operations.

The current macroeconomic environment is uncertain with volatile energy and fuel prices, inflationary pressure, fluctuations in foreign exchange rates with a weakening local currency NOK, the ongoing war in Ukraine, geopolitical 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 the group's business and financial result. The company has reduced its exposure to fluctuations in fuel prices through derivative contracts. Norwegian has hedged 50 percent of estimated jet fuel consumption for 2025 and close to 10 percent for 2026, while Widerøe has hedged close to 60 percent for 2025 and approximately 30 percent for 2026. The average hedging price level is close to 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

Current booking trends and a tighter supply-and-demand balance in the European market for air travel support an overall positive outlook for the Norwegian Group. Implementation of comprehensive cost and revenue initiatives will, in addition to the realisation of synergies between Norwegian and Widerøe, support the group's financial performance in 2025.

Unit costs are expected to be impacted by reduced growth in production, a weaker NOK against the EUR and USD, in addition to industry-specific inflationary pressure. Unit cost excluding fuel is for Norwegian in 2025 expected to increase by a single-digit percentage compared to 2024, assuming current foreign exchange rates. The year-on-year production growth for the first quarter 2025 is forecasted at approximately 17 percent. For the full-year of 2025, Norwegian is forecasting an overall production (ASK) of approximately 38,000 million seat kilometres, corresponding to a growth of 4 percent from 2024. This compares to a production growth of 13 percent in the previous year. The reduction in production growth is due to the aircraft delivery delays from aircraft manufacturer Boeing with the Norwegian fleet currently projected to increase to 88 aircraft for the summer of 2025. For the summer program ahead, Norwegian is operating close to 350 routes, of which 17 are new routes to attractive leisure destinations.

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. Widerøe will support the Group's strong customer proposition and outlook through the enabling of seamless travel across an improved route network offering.

Condensed interim financial statements

Consolidated income statement

<i>(unaudited in NOK million)</i>	Note	Q4 2024	Q4 2023	Full year 2024	Full year 2023
Passenger revenue		6,916.3	4,582.1	29,621.2	20,616.6
Ancillary passenger revenue		1,015.9	816.2	4,561.4	3,699.6
Other revenue		299.9	519.1	1,134.3	1,223.1
Total operating revenue	3	8,232.1	5,917.4	35,316.8	25,539.3
Personnel expenses		2,061.8	1,033.0	7,958.5	4,025.1
Aviation fuel		2,175.6	1,816.6	9,376.8	7,714.7
Airport and ATC charges		784.3	610.8	3,495.2	2,769.5
Handling charges		648.7	509.9	2,587.9	2,134.2
Technical maintenance expenses		284.7	177.4	1,187.1	697.6
Other operating expenses		901.2	600.1	3,514.1	2,409.1
Other losses/(gains)		196.6	-29.3	290.5	35.1
Total operating expenses excl lease, depr. and amort.		7,053.0	4,718.5	28,410.3	19,785.2
Operating profit excl lease, depr. and amort. (EBITDAR)		1,179.2	1,198.9	6,906.6	5,754.1
Aircraft lease, depreciation and amortisation		1,272.4	871.2	5,034.0	3,522.0
Operating profit (EBIT)		-93.2	327.8	1,872.6	2,232.1
Interest income		95.2	75.4	367.6	231.3
Interest expense		283.7	246.6	1,135.0	848.0
Other financial income (expense)		61.1	51.2	259.3	188.5
Net financial items		-127.4	-119.9	-508.1	-428.2
Share of net loss/(profit) of joint venture		1.9	0.0	9.0	0.0
Profit (loss) before tax (EBT)		-222.5	207.8	1,355.4	1,803.9
Income tax expense (income)		0.2	55.0	0.3	66.9
Net profit (loss)		-222.6	152.8	1,355.1	1,736.9
Net profit (loss) attributable to:					
Owners of the parent company		-222.6	152.8	1,355.1	1,736.9
Basic earnings per share (NOK)	6	-0.27	0.13	1.26	1.70
Diluted earnings per share (NOK)	6	-0.27	0.13	1.20	1.54

Consolidated statement of comprehensive income

<i>(unaudited in NOK million)</i>	Q4 2024	Q4 2023	Full year 2024	Full year 2023
Net profit (loss) for the period	-222.6	152.8	1,355.1	1,736.9
Actuarial gains and losses	-42.3	-20.3	-45.3	-20.3
Currency translation differences	225.1	-41.0	330.8	112.8
Gains/(losses) on cash flow hedges	183.6	-373.1	-35.7	31.4
Hedging (gains)/losses reclassified to profit or loss	61.6	-65.4	-0.3	-169.8
Total comprehensive income for the period	205.4	-347.0	1,604.7	1,690.9
Total comprehensive income attributable to:				
Owners of the company	205.4	-347.0	1,604.7	1,690.9

Consolidated statement of financial position

<i>(unaudited in NOK million)</i>	Note	31 DEC 2024	31 DEC 2023
ASSETS			
Intangible assets		2,428.9	2,161.7
Tangible assets	7	19,403.1	15,016.4
Other non-current assets		514.2	328.2
Total non-current assets		22,346.3	17,506.2
Inventory		501.6	259.6
Receivables and other current assets		3,872.1	3,306.3
Financial investments		1,011.8	0.0
Cash and cash equivalents	9	9,868.4	9,477.9
Total current assets		15,253.8	13,043.8
TOTAL ASSETS		37,600.1	30,550.0
EQUITY AND LIABILITIES			
Shareholders' equity	10	7,240.7	5,772.6
Total equity		7,240.7	5,772.6
Non-current debt	8	12,248.7	12,312.1
Other non-current liabilities		4,985.2	3,504.8
Total non-current liabilities		17,233.9	15,816.9
Air traffic settlement liabilities		4,142.9	3,202.5
Current debt	8	3,828.6	1,713.3
Other current liabilities		5,153.9	4,044.7
Total current liabilities		13,125.4	8,960.5
TOTAL LIABILITIES		30,359.3	24,777.4
TOTAL EQUITY AND LIABILITIES		37,600.1	30,550.0

Consolidated statement of cash flow

<i>(unaudited in NOK million)</i>	Q4 2024	Q4 2023	Full year 2024	Full year 2023
OPERATING ACTIVITIES				
Profit before tax	-222.5	207.8	1,355.4	1,803.9
Paid taxes	-4.0	-0.7	-72.2	-1.7
Depreciation, amortisation and impairment	1,157.8	942.1	4,806.8	3,533.8
Changes in air traffic settlement liabilities	-1,090.4	-685.7	656.6	654.0
Changes in receivables	179.9	635.1	-134.2	-1,217.1
Other adjustments	389.8	-160.9	333.5	484.7
Net cash flows from operating activities	410.6	937.7	6,946.0	5,257.5
INVESTING ACTIVITIES				
Purchases, proceeds and prepayment of tangible assets	-233.2	-230.7	-1,093.3	-495.1
Purchase of subsidiaries, net of cash acquired	-20.0	0.0	-1,020.0	0.0
Other investing activities	-1,015.1	-39.0	-1,101.5	-82.8
Net cash flows from investing activities	-1,268.3	-269.7	-3,214.8	-577.9
FINANCING ACTIVITIES				
Loan proceeds	130.5	137.5	191.7	289.6
Principal repayments	-603.9	-434.8	-2,558.9	-2,511.9
Financing costs paid	-292.3	-244.1	-1,029.8	-745.1
Net cash flows from financing activities	-765.8	-541.4	-3,397.1	-2,967.4
Net change in cash and cash equivalents	-1,623.4	126.6	334.1	1,712.2
Foreign exchange effect on cash	34.5	-39.8	56.4	6.6
Cash and cash equivalents at beginning of period	11,457.2	9,391.1	9,477.9	7,759.0
Cash and cash equivalents at end of period	9,868.4	9,477.9	9,868.4	9,477.9

Consolidated statement of changes in equity

<i>(unaudited in NOK million)</i>	Full year 2024	Full year 2023
Equity - Beginning of period	5,772.6	4,203.4
Total comprehensive income for the period	1,604.7	1,690.9
Share issue	19.5	293.4
Perpetual bonds issue and conversions	-19.5	-293.4
Interest payment on perpetual bonds	-141.3	-128.6
Equity change on employee options	4.8	6.8
Equity - End of period	7,240.7	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 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 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	34
1% increase in USD against NOK	137

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 including interest expense for the 12-months period from the end of the fourth quarter and incorporates jet fuel hedging effects, but does not include other losses/(gains) which includes balance sheet translation effects of operating liabilities due to changes in foreign exchange rates. 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 programme '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>	Q4 2024	Q4 2023	Change	Full year 2024	Full year 2023	Change
Norway	4,286.2	2,438.6	76 %	17,891.9	9,693.4	85 %
Spain	1,143.6	1,024.5	12 %	4,619.1	4,089.8	13 %
Denmark	690.5	654.4	6 %	3,198.8	2,926.0	9 %
Sweden	657.0	547.2	20 %	2,796.8	2,496.4	12 %
United Kingdom	281.4	249.5	13 %	1,100.7	1,026.2	7 %
Finland	268.1	255.5	5 %	904.5	934.5	-3 %
Italy	141.8	119.6	18 %	791.3	710.0	11 %
France	108.6	97.0	12 %	675.0	614.6	10 %
Germany	99.4	78.9	26 %	428.1	369.9	16 %
Poland	75.1	76.3	-2 %	364.2	350.5	4 %
Other	480.5	375.9	28 %	2546.5	2327.9	9 %
Total operating revenue	8,232.1	5,917.4	39 %	35,316.8	25,539.3	38 %
Total outside of Norway	3,946.0	3,478.8	13 %	17,424.9	15,845.9	10 %

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 amortisation (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 period financial information for the group, please refer to the consolidated income statement in this report.

<i>(unaudited in NOK million)</i>	Q4 2024				Full year 2024			
	Group	Norwegian	Widerøe	Elimination	Group	Norwegian	Widerøe	Elimination
Passenger revenue	6,916.3	5,305.6	1,610.6	0.0	29,621.2	23,421.1	6,200.1	0.0
Ancillary passenger revenue	1,015.9	977.7	38.2	0.0	4,561.4	4,403.0	158.4	0.0
Other revenue	299.9	147.3	239.7	-87.0	1,134.3	520.2	883.0	-268.9
Total operating revenue	8,232.1	6,430.6	1,888.5	-87.0	35,316.8	28,344.4	7,241.4	-268.9
Personnel expenses	2,061.8	1,290.5	771.2	0.0	7,958.5	4,975.1	2,983.4	0.0
Aviation fuel	2,175.6	1,932.7	242.9	0.0	9,376.8	8,447.7	929.1	0.0
Airport and ATC charges	784.3	696.4	87.8	0.0	3,495.2	3,146.2	349.0	0.0
Handling charges	648.7	579.1	130.0	-60.4	2,587.9	2,377.8	415.2	-205.2
Technical maintenance expenses	284.7	216.8	68.1	-0.2	1,187.1	806.4	381.3	-0.6
Other operating expenses	901.2	657.4	270.2	-26.5	3,514.1	2,568.5	1,008.2	-62.5
Other losses/(gains)	196.6	201.8	-5.2	0.0	290.5	286.9	4.3	-0.7
Total operating expenses excl lease, depr. and amort.	7,053.0	5,574.9	1,565.1	-87.0	28,410.3	22,608.5	6,070.7	-268.9
EBITDAR	1,179.2	855.8	323.4	0.0	6,906.6	5,735.8	1,170.8	0.0
Aircraft lease, depreciation and amortisation	1,272.4	1,077.4	195.0	0.0	5,034.0	4,362.5	671.5	0.0
Operating profit (EBIT)	-93.2	-221.6	128.4	0.0	1,872.6	1,373.3	499.3	0.0
Interest income	95.2	92.8	2.4	0.0	367.6	357.6	10.0	0.0
Interest expense	283.7	261.2	22.6	0.0	1,135.0	1,031.6	103.4	0.0
Other financial income (expense)	61.1	98.6	-37.4	0.0	259.3	299.2	-39.8	0.0
Net financial items	-127.4	-69.7	-57.6	0.0	-508.1	-374.9	-133.2	0.0
Share of net loss/(profit) of joint venture	1.9	1.9	0.0	0.0	9.0	9.0	0.0	0.0
Profit (loss) before tax (EBT)	-222.5	-293.2	70.8	0.0	1,355.4	989.4	366.1	0.0
Income tax expense (income)	0.2	0.2	0.0	0.0	0.3	0.3	0.0	0.0
Net profit (loss)	-222.6	-293.4	70.8	0.0	1,355.1	989.1	366.1	0.0

Note 5 Information on related party transactions

The company has an equity investment in Spenn Group AS at the end of the fourth quarter of 2024. No significant transactions between Norwegian and Spenn Group or other related parties have been carried out in 2024. For detailed information on related party transactions, please refer to Note 27 to the consolidated financial statements for 2023.

Note 6 Earnings per share

<i>(unaudited in NOK million)</i>	Q4 2024	Q4 2023	Full year 2024	Full year 2023
Profit attributable to the owners of the company before PIK interest	-222.6	152.8	1,355.1	1,736.9
Payment-in-kind interest on perpetual bonds recognized in equity	-37.1	-29.0	-141.9	-126.3
Profit attributable to the owners of the company after PIK interest	-259.7	123.8	1,213.2	1,610.7
Basic earnings per share (NOK)	-0.27	0.13	1.26	1.70
Diluted earnings per share (NOK)*	-0.27	0.13	1.20	1.54
<i>Specification of weighted average number of shares used in calculation of basic and diluted EPS</i>				
Ordinary shares for basic EPS	963,880,462	961,712,346	963,475,409	947,827,373
Perpetual bonds for diluted EPS	-	-	163,360,699	178,838,433
Share options	-	-	205,563	-
Weighted average number of ordinary shares diluted	963,880,462	961,712,346	1,127,041,671	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	163,781,153	163,108,611	-	-
Share options	4,486,580	4,755,116	4,281,017	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>	31 DEC 2024	31 DEC 2023
Predelivery payments	3,496.8	3,072.1
Owned aircraft, parts and installations on leased aircraft	4,239.3	1,415.4
Right-of-use assets aircraft and parts	10,302.4	9,818.4
Aircraft, parts and installations	14,541.8	11,233.8
Other tangible assets owned	754.0	391.1
Right-of-use assets other	610.5	319.3
Other tangible assets	1,364.5	710.5
Total tangible assets	19,403.1	15,016.4
Total right-of-use assets	10,913.0	10,137.8

Note 8 Borrowings

<i>(unaudited in NOK million)</i>	31 DEC 2024	31 DEC 2023
Retained claims bonds	1,364.7	2,622.3
Aircraft financing	1,580.9	936.7
Lease liabilities	9,301.1	8,688.8
Other non-current debt	2.0	64.3
Non-current debt	12,248.7	12,312.1
Retained claims bonds	1,449.5	0.0
Aircraft financing	119.1	84.2
Lease liabilities	2,023.5	1,591.4
Other current debt	236.5	37.7
Current debt	3,828.6	1,713.3
Total borrowings	16,077.3	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 848 million at the end of the fourth quarter. The amount is included in the line-item Cash and cash equivalents in the Consolidated statement of financial position as of 31 December 2024.

Note 10 Shareholder information

20 largest shareholders at 31 December 2024:

Name	Country	Number of shares	Percent
1 Geveran Trading Company, Ltd.	Cyprus	140,063,236	14.5 %
2 Folketrygdfondet	Norway	84,060,755	8.7 %
3 DNB Asset Management AS	Norway	41,765,331	4.3 %
4 Ballyfin Aviation Limited	Ireland	31,472,703	3.3 %
5 Nordnet Bank AB.	Norway	27,585,294	2.9 %
6 Nordea Funds Oy	Finland	26,772,997	2.8 %
7 Silver Point Capital, L.P.	United States	24,092,031	2.5 %
8 Sundt AS	Norway	21,353,508	2.2 %
9 Avanza Bank AB	Sweden	17,486,438	1.8 %
10 American Century Investment Management, Inc.	United States	12,218,646	1.3 %
11 Holmen Fondsforvaltning AS	Norway	12,200,000	1.3 %
12 KLP Fondsforvaltning AS	Norway	11,871,996	1.2 %
13 Handelsbanken Kapitalförvaltning AB	Sweden	11,503,980	1.2 %
14 Brumm AS	Norway	10,096,560	1.0 %
15 Goldman Sachs Asset Management, L.P.	United States	9,809,949	1.0 %
16 Eika Kapitalforvaltning AS	Norway	8,861,218	0.9 %
17 Storebrand Kapitalforvaltning AS	Norway	6,816,460	0.7 %
18 HSBC Continental Europe S.A., Germany	Germany	6,622,434	0.7 %
19 Swedbank AB	Sweden	6,614,983	0.7 %
20 UBS Switzerland AG	Switzerland	6,481,818	0.7 %
Top 20 shareholders		517,750,337	53.7 %
Other shareholders		446,130,125	46.3 %
Total number of shares		963,880,462	100.0 %

During 2024 there have been two conversions of perpetual bonds, where a total of NOK 19.5 million have been converted. The company has 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 31 December 2024. There were 78,148 shareholders at the end of 2024.

Note 11 Fair value estimation

<i>(unaudited in NOK million)</i>	31 DEC 2024	31 DEC 2024	31 DEC 2023	31 DEC 2023
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through profit or loss	1,049.9	1,049.9	16.1	16.1
Financial assets at fair value through OCI	75.7	75.7	36.9	36.9
Financial assets at amortized cost	12,568.9	12,568.9	11,642.4	11,642.4
Total financial assets	13,694.5	13,694.5	11,695.4	11,695.4
Financial liabilities at fair value through OCI	271.5	271.5	176.1	176.1
Financial liabilities at amortized cost	19,890.9	19,844.3	17,164.6	17,090.9
Total financial liabilities	20,162.4	20,115.8	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 two financial instruments in this category at 31 December 2024, Norwegian Block Exchange and financial investments in money market funds (31 December 2023: one financial instrument, 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 31 December 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>	31 DEC 2024			31 DEC 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Derivative financial assets, non-current	-	35.4	-	-	-	-
Derivative financial assets, current	-	40.3	-	-	36.9	-
Total financial assets at fair value through OCI	-	75.7	-	-	36.9	-
Investment financial assets, non-current	3.7	-	34.5	3.7	-	12.4
Investment financial assets, current	1,011.8	-	-	-	-	-
Total financial assets at fair value through profit or loss	1,015.5	-	34.5	3.7	-	12.4
Financial liabilities						
Derivative financial liabilities, non-current	-	38.5	-	-	67.4	-
Derivative financial liabilities, current	-	233.0	-	-	108.7	-
Total financial liabilities at fair value through OCI	-	271.5	-	-	176.1	-

Note 12 Quarterly data

<i>(unaudited in NOK million)</i>	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Full year 2024
Passenger revenue	5,126.0	7,820.0	9,758.9	6,916.3	29,621.2
Ancillary passenger revenue	730.9	1,256.6	1,558.0	1,015.9	4,561.4
Other revenue	287.5	270.0	276.8	299.9	1,134.3
Total operating revenue	6,144.4	9,346.6	11,593.8	8,232.1	35,316.8
Personnel expenses	1,774.1	2,078.5	2,044.2	2,061.8	7,958.5
Aviation fuel	1,669.6	2,593.3	2,938.3	2,175.6	9,376.8
Airport and ATC charges	609.9	1,015.3	1,085.7	784.3	3,495.2
Handling charges	486.7	672.6	779.8	648.7	2,587.9
Technical maintenance expenses	281.1	287.2	334.1	284.7	1,187.1
Other operating expenses	895.9	886.8	830.2	901.2	3,514.1
Other losses/(gains)	126.0	-35.7	3.6	196.6	290.5
Total operating expenses excl lease, depr. and amort.	5,843.2	7,498.1	8,015.9	7,053.0	28,410.3
Operating profit excl lease, depr. and amort. (EBITDAR)	301.1	1,848.5	3,577.8	1,179.2	6,906.6
Aircraft lease, depreciation and amortisation	1,063.8	1,253.3	1,444.6	1,272.4	5,034.0
Operating profit (EBIT)	-762.6	595.2	2,133.2	-93.2	1,872.6
Interest income	84.3	94.7	93.4	95.2	367.6
Interest expense	278.9	287.2	285.2	283.7	1,135.0
Other financial income (expense)	53.8	76.5	67.9	61.1	259.3
Net financial items	-140.8	-116.1	-123.9	-127.4	-508.1
Share of net loss/(profit) of joint venture	0.0	2.0	5.1	1.9	9.0
Profit (loss) before tax (EBT)	-903.4	477.1	2,004.2	-222.5	1,355.4
Income tax expense (income)	0.1	0.1	0.0	0.2	0.3
Net profit (loss)	-903.5	477.1	2,004.2	-222.6	1,355.1

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 314 million at the end 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. The EFTA Court provided an advisory opinion in August 2024, stating that "Article 12(2a) of Directive 2003/87/EC ["EU ETS Directive"] of the European Parliament and of the Council establishing a system for greenhouse gas emissions allowance trading within the Union must be interpreted as precluding national legislation from providing that the obligation to surrender emissions allowances may be settled by dividend in a compulsory debt settlement in connection with the restructuring of an insolvent company". The company takes note of the advisory opinion; however, the company is of the opinion that the EFTA Court's assessments and conclusion are not a correct interpretation of the EU ETS Directive.

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.

Note 14 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 fourth quarter of 2024.

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 the reconstruction plan which was approved by Oslo City Court and effective as of 26 May 2021. As earlier disclosed, the Norwegian Environment Agency contends that the obligation to surrender allowances cannot be settled in accordance with the reconstruction plan and has appealed a ruling which has adjudicated in favour of Norwegian. NAS believes that the obligation to surrender emissions allowances for 2020 emissions has been finally settled and that NAS therefore should be awarded free allowances.

The liability for allowances related to CO₂ emissions in 2024 is measured based on the assumption that Norwegian will receive free allowances for 2024. The liability per 31 December 2024 would be higher by approximately NOK 464 million if NAS expected not to receive free allowances for 2024. Fuel cost would accordingly be higher by NOK 464 million for the full-year of 2024, and by NOK 139 million for the fourth 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 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.

On 20 December 2024, the Oslo District Court ruled that Norwegian was entitled to fulfil its EU ETS obligations for 2020 by offering dividend corresponding to the allowance obligations, and that the penalty for the failure to meet the EU ETS obligations for 2020 was unlawful. Thus, Norwegian is entitled to a full refund of the penalty amount, including interest currently amounting to NOK 88 million, if the decision becomes final and enforceable. In addition, Norwegian was awarded compensation for legal costs amounting to NOK 10 million.

On 29 January 2025, Norwegian was notified that the Ministry of Climate and Environment have filed an appeal to the Court of Appeal to challenge the decision of the Oslo District Court. The hearing of the appeal is expected to be held later in 2025 or in the first quarter of 2026.

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.

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, amortisation, 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, amortisation 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 and current financial investments	Measurement of the ability to pay all debt with available cash and cash equivalents and current financial investments, 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 amortisation	Total operating expenses not including aircraft lease expense, depreciation, amortisation 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, amortisation, impairment and lease expenses	A measure of operating expenses that is not affected by other losses/(gains), depreciation, amortisation, impairment and lease expenses

Alternative performance measures – Reconciliations

<i>(unaudited in NOK million)</i>	Q4 2024	Q4 2023	Full year 2024	Full year 2023
<u>Operating profit (EBIT) to EBIT excl other losses/(gains)</u>				
Operating profit (EBIT)	-93.2	327.8	1,872.6	2,232.1
- Other losses/(gains)*	196.6	-29.3	290.5	35.1
EBIT excl other losses/(gains)	103.5	298.4	2,163.1	2,267.2
<u>EBITDAR to EBITDAR excl other losses/(gains)</u>				
EBITDAR	1,179.2	1,198.9	6,906.6	5,754.1
- Other losses/(gains)*	196.6	-29.3	290.5	35.1
EBITDAR excl other losses/(gains)	1,375.8	1,169.6	7,197.1	5,789.2
<u>Net profit (EBT) to EBT excl other losses/(gains) and impairment</u>				
Profit (loss) before tax (EBT)	-222.5	207.8	1,355.4	1,803.9
- Other losses/(gains)*	196.6	-29.3	290.5	35.1
EBT excl other losses/(gains) and impairment	-25.8	178.5	1,646.0	1,839.0
<u>Net interest bearing debt</u>				
Cash and cash equivalents			9,868.4	9,477.9
Financial investments - current **			1,011.8	0.0
Aircraft financing			13,024.7	11,301.1
Other interest-bearing debt			238.5	102.0
Retained claims bonds			2,814.1	2,622.3
Net interest-bearing debt			5,197.2	4,547.5

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

** Financial investments in fixed income funds with a higher expected return

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
Number of aircraft	Fleet of aircraft owned and leased at the end of the reporting period, excluding aircraft on wet-lease
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
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
Guro H. Poulsen	Chief People Officer
Anne-Sissel Skånvik	Chief Communications Customer & Public Affairs Officer
Knut Olav Irgens Høeg	Chief IT & Business Services Officer
Henrik Fjeld	Chief Operations Officer
Jeanette Bø-Alnes	Chief Performance Officer
Tore Jenssen	CEO Widerøe

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Financial calendar 2025

13 February	Q4 2024 Results
6 March	Monthly traffic data February
4 April	Monthly traffic data March
11 April	Annual report 2024
7 May	Monthly traffic data April
8 May	Q1 2025 Results
14 May	Annual General Meeting
5 June	Monthly traffic data May
4 July	Monthly traffic data June
11 July	Q2 2025 Results
6 August	Monthly traffic data July
4 September	Monthly traffic data August
6 October	Monthly traffic data September
22 October	Q3 2025 Results
6 November	Monthly traffic data October
4 December	Monthly traffic data November