



norwegian✂

Presentation of second quarter 2025

11 July 2025



– laying the basis for a sustainable profitable airline

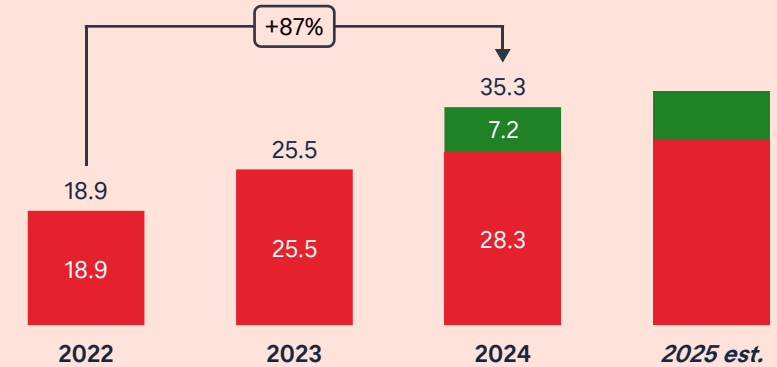
High customer value at low cost of delivery

- **leading in Europe on OTP** with close to zero cancellations
- **strong customer satisfaction** and brand recognition
 - capturing market share for corporate travel
 - Norwegian Reward with attractive benefits
- **centred on route profitability**
 - adding profitable routes one by one
- **numerous initiatives to lower costs** and manage seasonality
- **significant scope to lower aircraft ownership cost**
 - more robust finances provide opportunities
 - multiple initiatives implemented through 2025

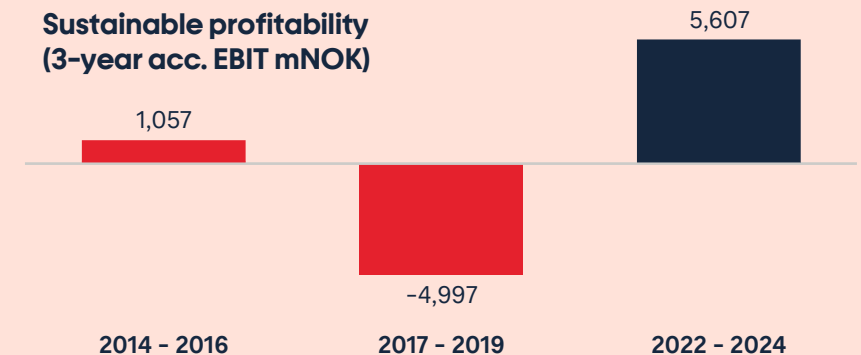
Growth through complimentary business ventures

- **Widerøe acquisition** completed January 2024
 - 100% cash acquisition at P/E ~2
 - strong customer proposition with seamless interlining
 - scope for growth e.g. on inbound
- **Spenn – Norwegian initiated establishment of a leading Nordic loyalty platform**
 - Strawberry and Reitan Retail partners and co-owners
 - significant business build with 100 partners across Nordics

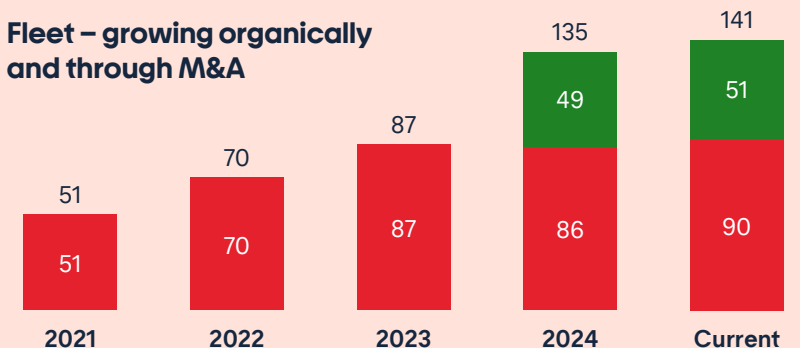
Group revenue (NOK billion)



Sustainable profitability
(3-year acc. EBIT mNOK)



Fleet – growing organically
and through M&A





– at the end of the first leg, starting on the second

Credit repayment timeline (excl. lease payments, interest and loan amortisations)



Pandemic-era rescue with positive return

- **Norwegian government with crucial rescue loan during pandemic**
 - ensuring workplaces and future of local aviation industry
- **taxpayer contribution with positive nominal return**
 - participated in business upside through convertible loan
 - profit realised via convertible loan buy-back and subsequent share sale
 - remaining creditor position secured with deposit
- **sole state funding ever received in company history – now repaid**

Today marks a shift as dividends now can be delivered

- **capital structure fit-for-purpose**
 - call and buy-back of subordinated convertible bond
 - depositing RCB outstanding amount in Q3 enabling dividends
- **distribution of dividend fund – NOK 0.90 per share dividend**
 - 2024 dividend utilised for convertible buy-back, positive for shareholders by reducing diluted number of shares by 6 percent
 - distribution of dividend fund from 2022/23 plus investment return now in August



Highlights for Q2 2025

Q2 profit before tax (EBT) NOK 1,055 million

- group operating profit (EBIT) NOK 1,250 million
 - Norwegian EBIT NOK 1,021 million
 - Widerøe EBIT NOK 229 million
- significant results improvement
 - EBT improved NOK 577 million YoY
 - operating margin 12.2% vs 6.4% last year
- cost level impacted by increased ATC and airport tariffs from year-end

Strong core operations

- Norwegian with record Q2 unit revenue
 - capacity growth slowed to 1%
 - load factor up 3% YoY
- Widerøe delivering traffic records
 - load factor up 4% YoY
 - all-time high with 1.1 million passengers
 - June delivering record monthly revenues

Preferred travel partner – direct, not connect

- 350 Norwegian routes on sale across attractive network
 - over 100 Widerøe routes
- operational excellence with few cancellations
 - Norwegian OTP 86%, up 5 p.p. YoY
 - regularity 99.7%, close to zero cancellations
- strong customer satisfaction vs. peers
 - Net Promoter Score (NPS) at 50
- most direct routes from Nordics to rest of Europe
- capturing corporate market share
- Spenn expanding with attractive offering

Long-term fleet decisions with sound economics

- transaction to acquire 11 spare engines
 - latest technology CFM LEAP-1B
 - deliveries schedule for 2027/28
 - operational resilience in cost-reducing way
- purchase of 3 leased Boeing 737-800
 - non-recurring gain NOK 260m for Q3
 - recurring annual savings

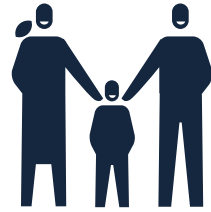
Strong balance sheet enabling for dividend

- liquidity position increased to NOK 13.8bn
 - financing in place for Q1 purchase of 10 aircraft
- capital structure fit-for-purpose
 - call and buy-back of sub. convertible bond
 - deposit for outstanding amount of RCB bond
- dividend NOK 0.90 per share to be paid in August

Second quarter 2025



Load factor (change YoY)



7.6

million (+4% YoY)

Passengers in second quarter 2025 (group)



Load factor (change YoY)

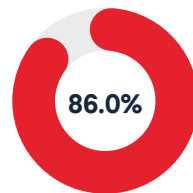


10.5

billion seat
kilometres (+1% YoY)

Norwegian capacity (ASK)

Punctuality



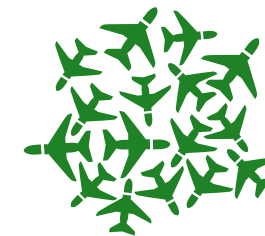
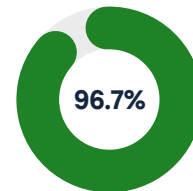
Regularity



Punctuality



Regularity



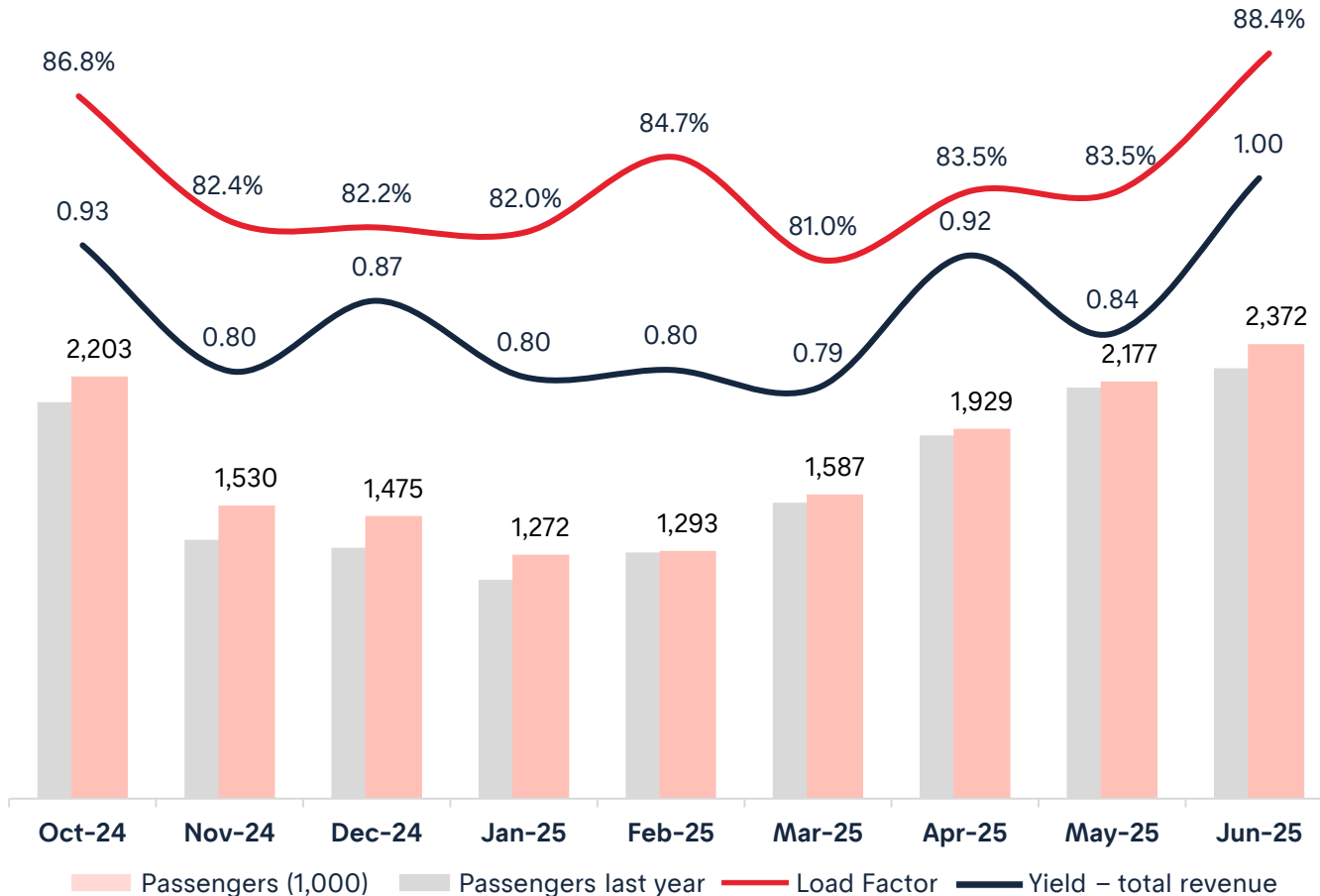
559

million seat
kilometres (+3% YoY)

Widerøe capacity (ASK)

Norwegian – record Q2 traffic

Norwegian Traffic – PAX per month, load factor and yield



Successful ramp-up to summer season

- close to zero cancellations

Strong quarterly traffic

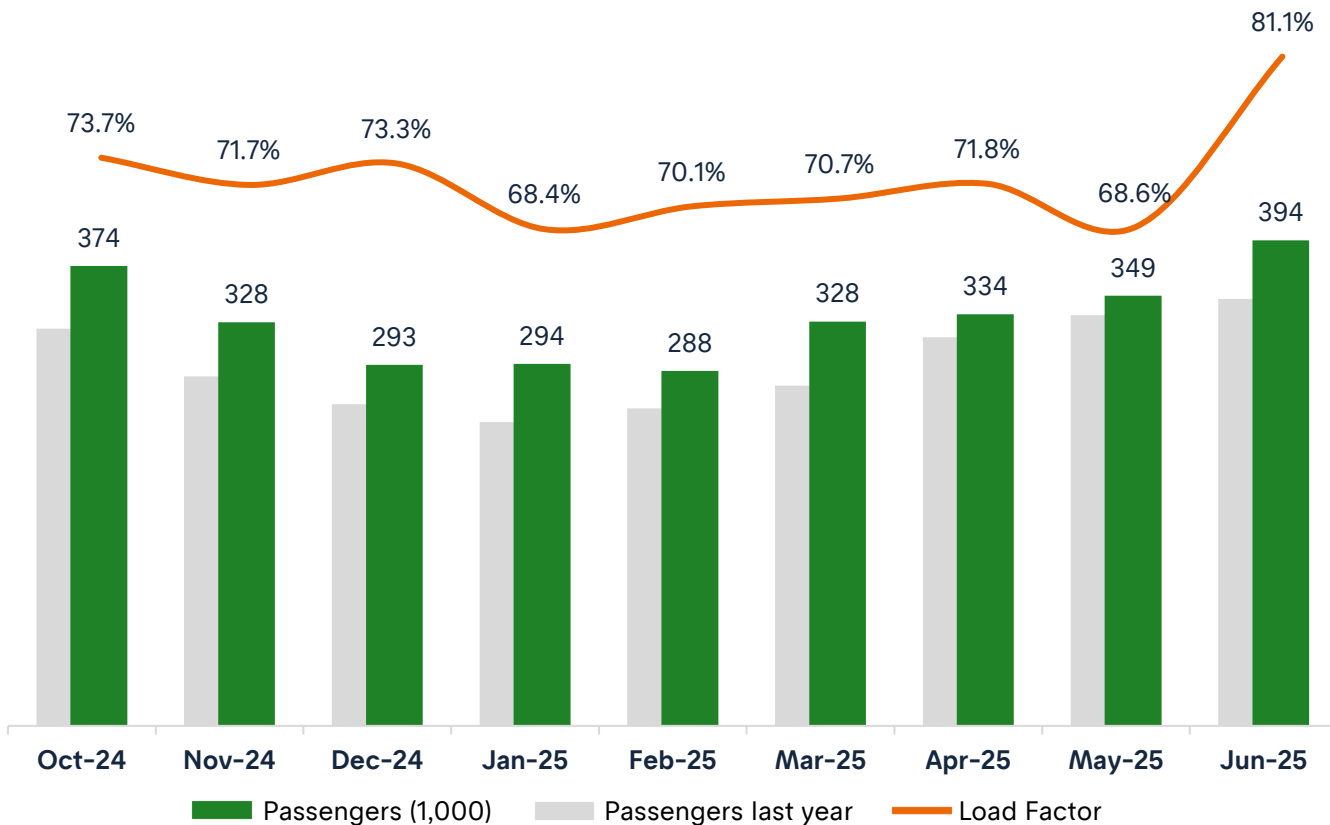
- capacity growth (ASK) slowed to 1% YoY vs. 16% in Q1
- record high Q2 unit revenue
 - load factor 85.2%, up 3 p.p. YoY
 - yield up 6% YoY
- positive Easter timing effect vs Q2 last year

Record June traffic

- highest June load post 2019

Widerøe – setting passenger records

Widerøe Traffic – PAX per month and load factor



Record traffic in quarter

- 1,078,000 passengers – up 8% YoY and highest ever
- load factor increased to 74%
- June record high monthly passengers and revenue

Increasing interline traffic with Norwegian

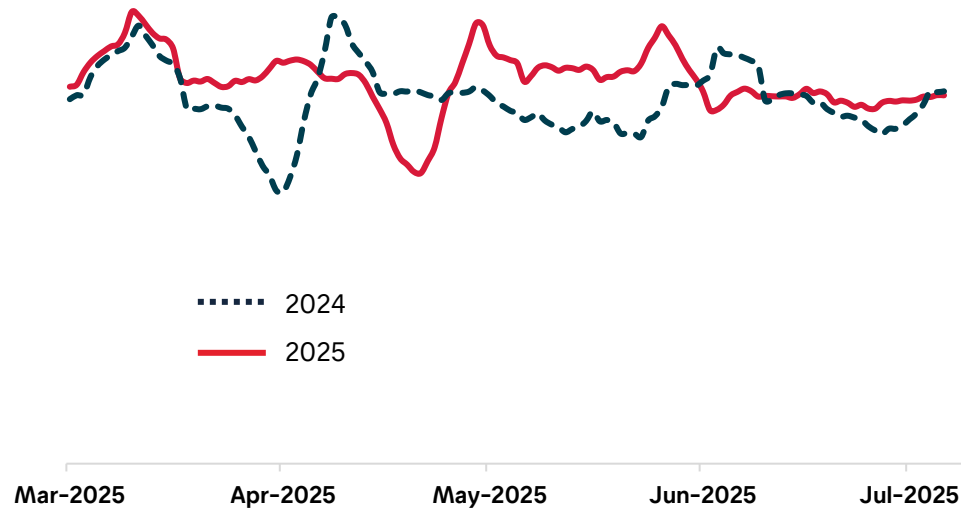
- annual interlining traffic flows up close to 40%
- enhanced distribution from Q3

Widerøe significant results contribution

- EBIT NOK 229 million – up NOK 27m YoY

Norwegian – robust booking momentum

7-day rolling sales figures (PAX) – All markets¹⁾



Continuous strong booking momentum post Easter

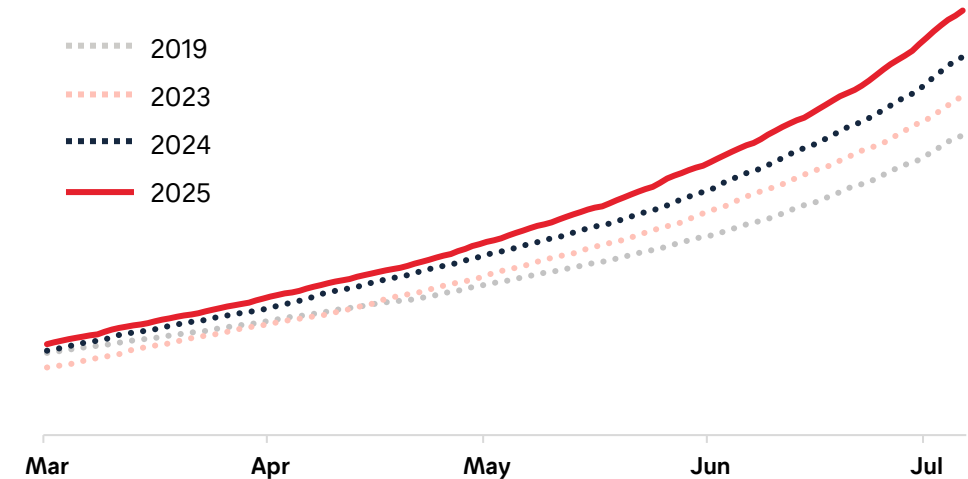
- diversified bookings across destinations and travel month

Capacity growth reduced

- low single-digit percentage growth YoY during summer season
- harvesting from 2024 investments in network growth

¹⁾ travel anytime, anywhere as of 6 July 2025

Booked revenue – Travel July to October²⁾



Booked load ahead vs. last year

- Norwegian 9% more tickets sold vs. last year at corresponding date for July to October travel
- Widerøe sold tickets up double-digit % YoY for same travel period

Norwegian yield on sold tickets up YoY for July to Oct.

²⁾ 2019 adjusted for comparable route network

Corporate travel – continued growth in 2025

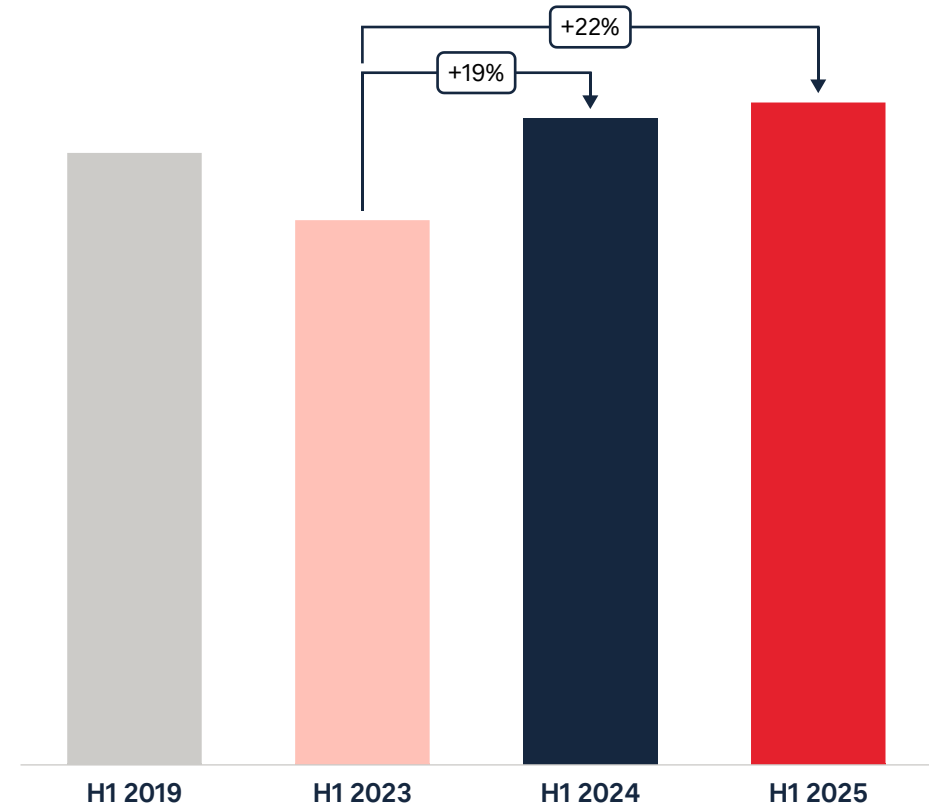
Corporates choosing Norwegian

- **Avinor reports corporate travel in Norway still below 2019**
 - domestic corp. travel down 11%, abroad down 15%*
- **from corporates and travel agents we speak to:**
 - 50% or higher share of travel with Norwegian
 - highly value Norwegian's on-time performance, frequency and regularity
- **onboarding new SMEs and larger corporates**
 - over 1,200 new corporate agreements signed ytd.
 - growth in all sales channels
- **contract signed with Swedish state/Kammarkollegiet**
 - contract covering domestic travel for up to four years

Key initiatives ahead

- **Widerøe travel with seamless end-to-end connectivity**
 - full distribution and interlining online in Q3
- **Norwegian Reward Priority**
 - attractive benefits including priority boarding, seat choice, luggage and coffee
 - improving seamless flow of benefits
- **now live with FuelChoice** – product for Biofuel tickets for corporates
 - four larger corporates signed up with more coming shortly

Norwegian corporate passengers



*) Data based on the Norwegian National Travel Survey (RVU) for 2024



Financial results for Q2 2025



Quarterly financial highlights

Revenue

- **group revenue NOK 10.3 billion** – up 10% vs. last year
 - Widerøe contribution NOK 2.0bn with strong traffic
- **Norwegian record high Q2 unit revenue**
 - capacity (ASK) growth down to 1%
 - total unit revenue up 10% YoY, 3 p.p. increase in load factor
 - ancillary revenue NOK 205 per pax, up 5% YoY

Quarterly result

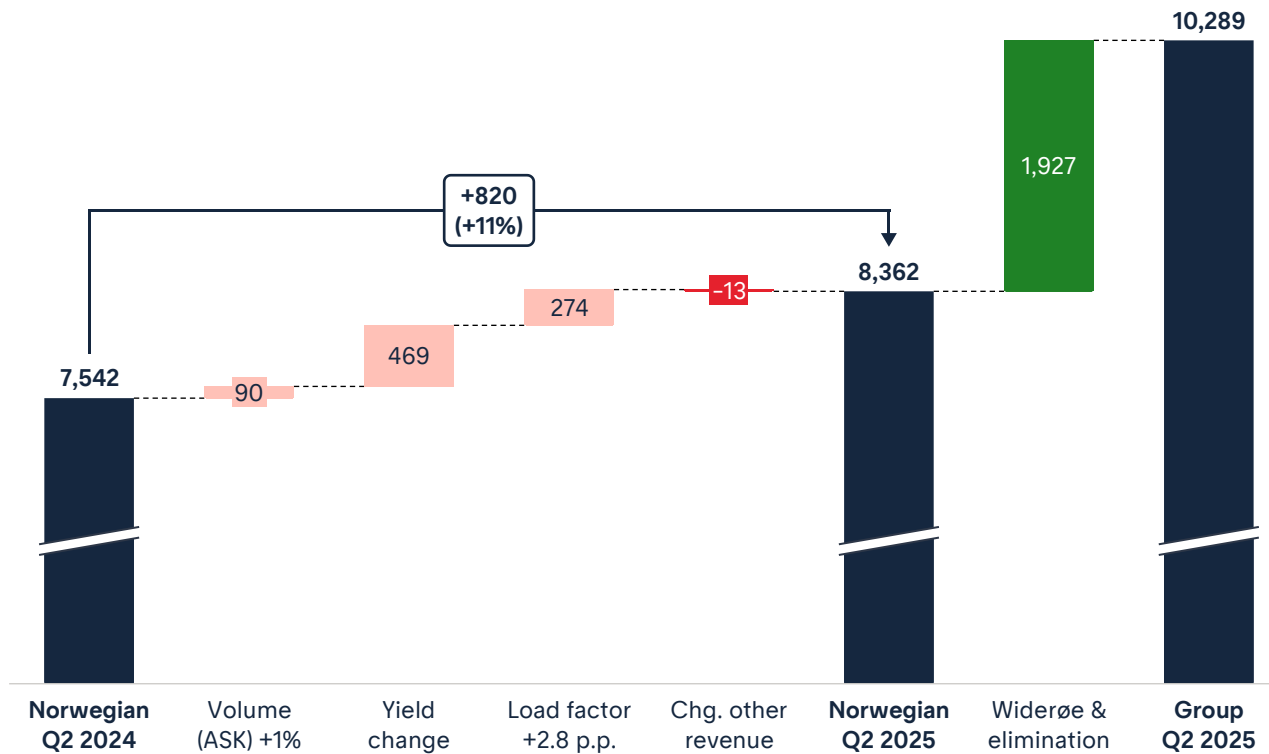
- **group EBIT NOK 1,250 million, significant improvement YoY**
 - Norwegian EBIT NOK 1,021m
 - Widerøe EBIT NOK 229m
 - operating margin 12.2%, second strongest Q2 in company history
- **strengthening NOK against USD gives positive results effect**
 - other losses/gains NOK 194m due to translation of USD denominated operating liabilities
- **Norwegian unit cost ex. fuel NOK 0.50 – up 7% YoY**
 - cost level impacted by increasing ATC and airport tariffs from year-end

Balance sheet

- **strong liquidity position NOK 13.8 billion**
 - completed financing of 10 aircraft acquired in Q1
- **NOK 1.5bn convertible bond fully redeemed**
 - call exercise and NOK 640m buy-back at 140%, reducing dilution from share conversion
- **NOK 0.90 per share dividend to be paid in August**
 - primarily funded by dividend fund
 - depositing outstanding amount of Retained Claims Bond

Revenues – record strong Q2 traffic

Quarterly total operating revenue (NOK million)



Norwegian Q2 traffic

- capacity growth (ASK) 1% vs. Q2 2024
- Unit revenue up 10% from last year
– load factor up 2.8%

Easter timing

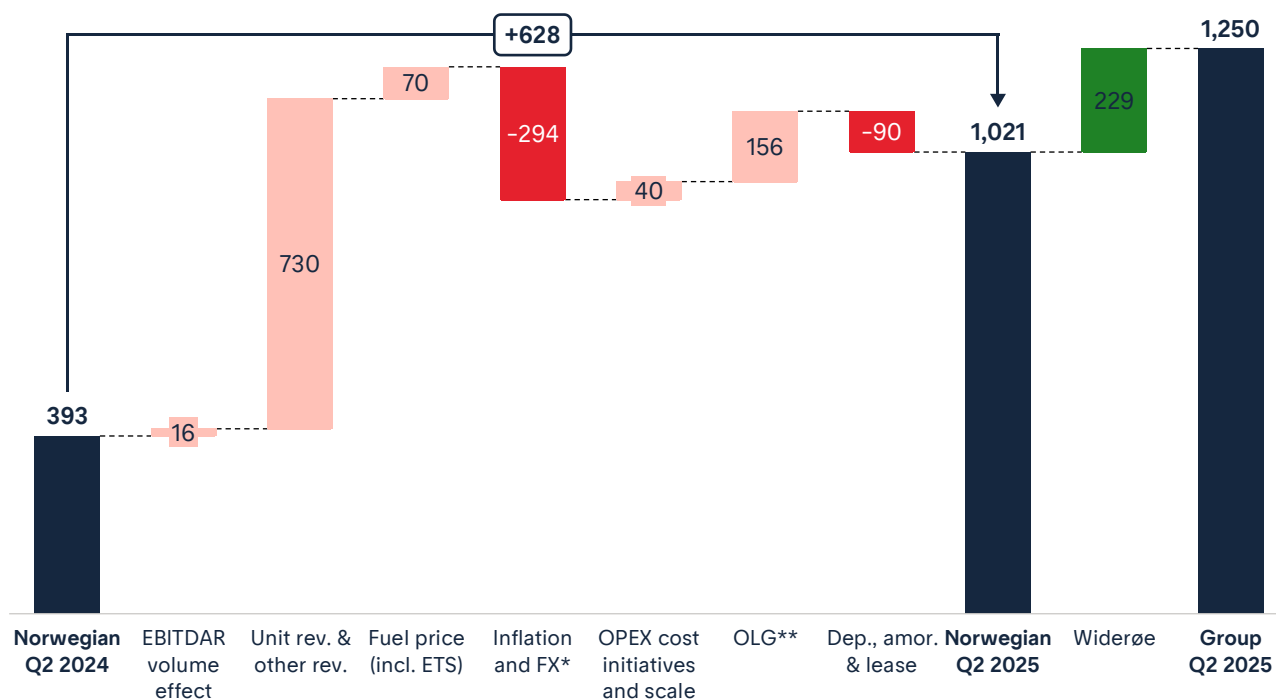
- Easter falling in Q2 this year vs. in Q1 last year
– reversal of negative Q1 effect

Widerøe with strong contribution

- June monthly revenue record
- growth in passengers 8%
- 19% share of group operating revenue

Operating profit (EBIT) – significant improvement

Quarterly EBIT (NOK million)



Significant improvement in traffic YoY

- Improved unit revenue and Easter timing

Countering cost inflation

- significant cost increase for ATC and airport charges following tariff changes at year-end
- unit cost excl. fuel up 7% YoY
– Q2 cost development in accordance with projection

Non-recurring effects for FX

- other losses/gains gain 194 million in Q1 due to FX revaluation

Widerøe significant results contribution

- EBIT NOK 229 million, up 27m YoY

*) 12-month core inflation weighted by respective currency's share of operating expenses excl. fuel . Actual tariff increases applied for Airport and ATC charges.

**) other losses/(gains)

Group P&L

<i>NOK million</i>	Q2 2025	Q2 2024	Chng. (YoY)	
Passenger revenue	8,664	7,820		
Ancillary passenger revenue	1,370	1,257		
Other revenue	255	270		
Total operating revenue	10,289	9,347	+10%	→ Improved load factor and yield
Personnel expenses	2,096	2,079		
Aviation fuel	2,576	2,593		→ NOK 105m increase with reduced ETS allowances and increased SAF mandate
Airport and ATC charges	1,235	1,005	+23%	→ increased ATC and airport charges from year-end
Handling charges	705	673		
Technical maintenance expenses	321	284		
Other operating expenses	940	901		
EBITDAR excl other losses/(gains)	2,420	1,813		
Other losses/(gains)	-194	-36	-159	→ balance sheet translation effects from NOK strengthening
EBITDAR	2,615	1,848		
Aircraft lease, depreciation and amortization	1,359	1,253		
Operating profit (EBIT)	1,250	595	655	→ significant improvement YoY
Net financial items	-191	-116		
Profit before tax (EBT)	1,055	477		
Income tax expense (income)	123	0	123	→ eff. tax rate 12% due to exp. utilisation of unrecognised tax assets
Net profit (loss)	932	477	454	

Robust balance sheet

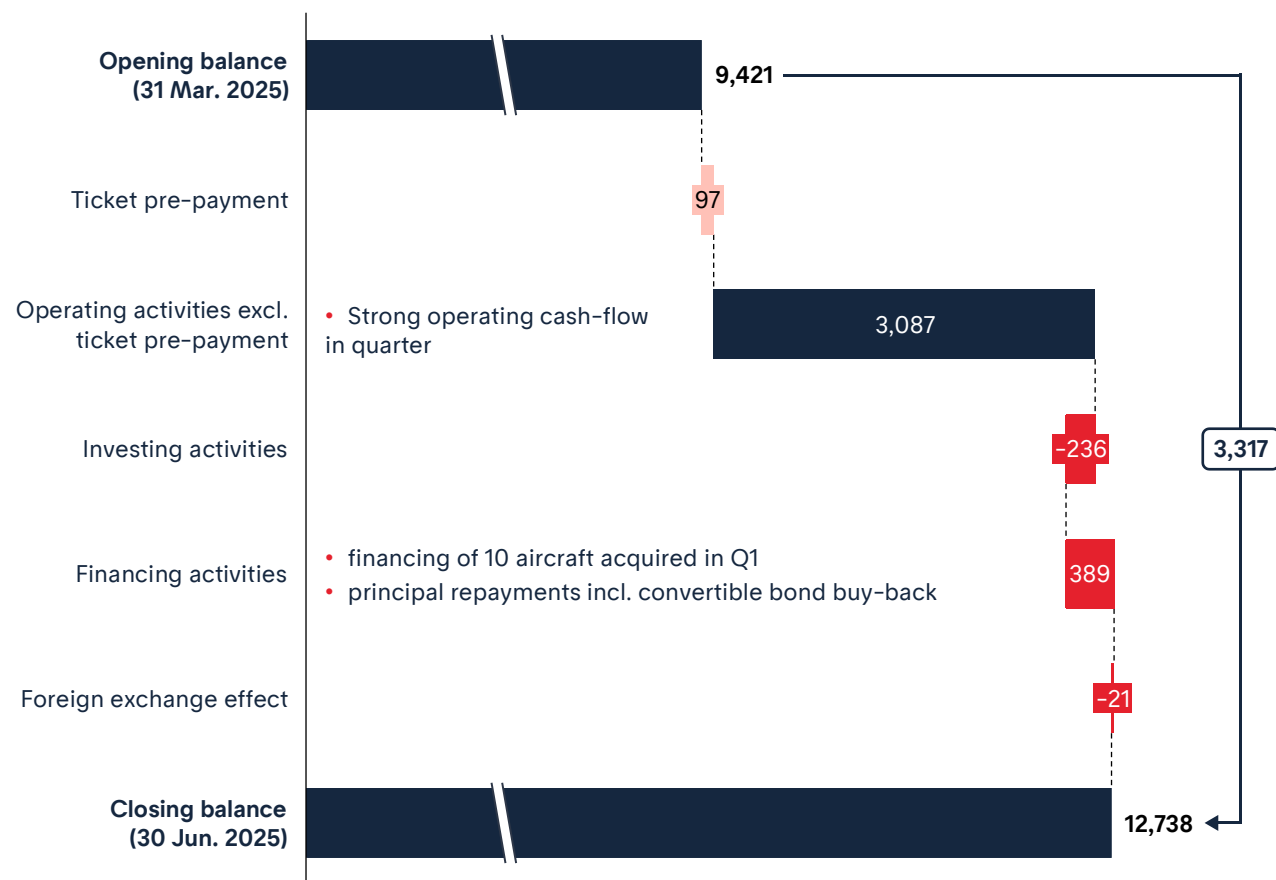
<i>NOK million</i>	30 Jun. 2025	31 Mar. 2025	Chng. (QoQ)	
Intangible assets	2,356	2,421		
Tangible assets	21,891	21,095	+796	→ delivery of three leased aircraft
Total non-current assets	24,682	23,980		
Receivables	5,184	4,305		
Financial investments	1,052	1,035		
Cash and cash equivalents	12,738	9,421	+3,317	→ financing 10 aircraft acquired in Q1, operating cash flow
Total current assets	19,508	15,283		
Assets	44,190	39,254		
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Equity	5,914	6,150		
Non-current debt	15,248	12,013	+3,235	
Other non-current liabilities	5,045	3,814		
Total non-current liabilities	20,293	15,828		
Air traffic settlement liabilities	8,563	8,312	+3%	→ bookings high with season, up 10% YoY
Current debt	3,439	3,523		
Other current liabilities	5,981	5,441		
Total current liabilities	17,983	17,276		
Liabilities	38,276	33,103		
Equity and liabilities	44,190	39,254		
Equity ratio (%)	13.4	15.7	-2.3 p.p.	

Net interest-bearing debt			
<i>NOK million</i>	30 Jun. 2025	31 Mar. 2025	Chng. (QoQ)
Cash & equiv.	12,738	9,421	+3,317
Financial Investments	1,052	1,035	
Aircraft financing	15,806	12,471	+3,335
Other IB debt	88	185	
Retained Claims Bonds	2,793	2,880	
NIBD	4,897	5,080	-184

- **NIBD** impacted by addition of 3 aircraft on lease and financing of 10 aircraft purchase in Q1
– 90 aircraft in Norwegian and 51 at Widerøe
- **Reducing dilution through redemption of NOK 1.5bn convertible bond**
– exercise of call option and NOK 640m buy-back at 140%
– dividend for 2024 utilised for convertible bond buy-back, topping-up NOK 321m, reducing dilution by 6%
- **NOK 0.90 per share dividend to be paid in August**
– primarily funded by NOK 874m dividend fund from 2022/23, topping up with NOK 76m for new shares issued
– depositing for outstanding amount in Retained Claim Bonds (RCB) enabling dividend

Cash flow in quarter

Quarterly cash flow (NOK million)



Bookings elevated with seasonality

- positive working capital effect with normalised and low holdback

Excess liquidity

- placed on deposits and money-market funds
- cash balance not inc. NOK 1,052m in fixed-income fund investments
- rate-of-return above 5%

Boeing prepayment – significant portion already paid in

- prepayment to date NOK 3.1bn
- 2025 prepayments below NOK 100m (excl. options)



The way forward

Executing on long-term fleet strategy

Boeing deliveries developing positively

- three aircraft on lease delivered in Q2
 - six aircraft delivered ytd., up from two last year
 - recent deliveries ahead of revised schedule
- order for 50 Boeing 737 MAX 8 aircraft
 - first aircraft from own order due in Q4
 - decision on 30 additional aircraft option in coming months
 - attractive pricing

Utilising balance sheet for smart fleet decisions

- purchase of 11 CFM LEAP-1B spare engines
 - securing operational resilience in cost-efficient manner
 - deliveries due in 2027 and 2028
- purchase of 3 Boeing 737-800 leased aircraft
 - following purchase of 10 aircraft in Q1
 - non-recurring gain NOK 260 million for Q3 plus recurring cost savings
 - in process of securing long-term financing

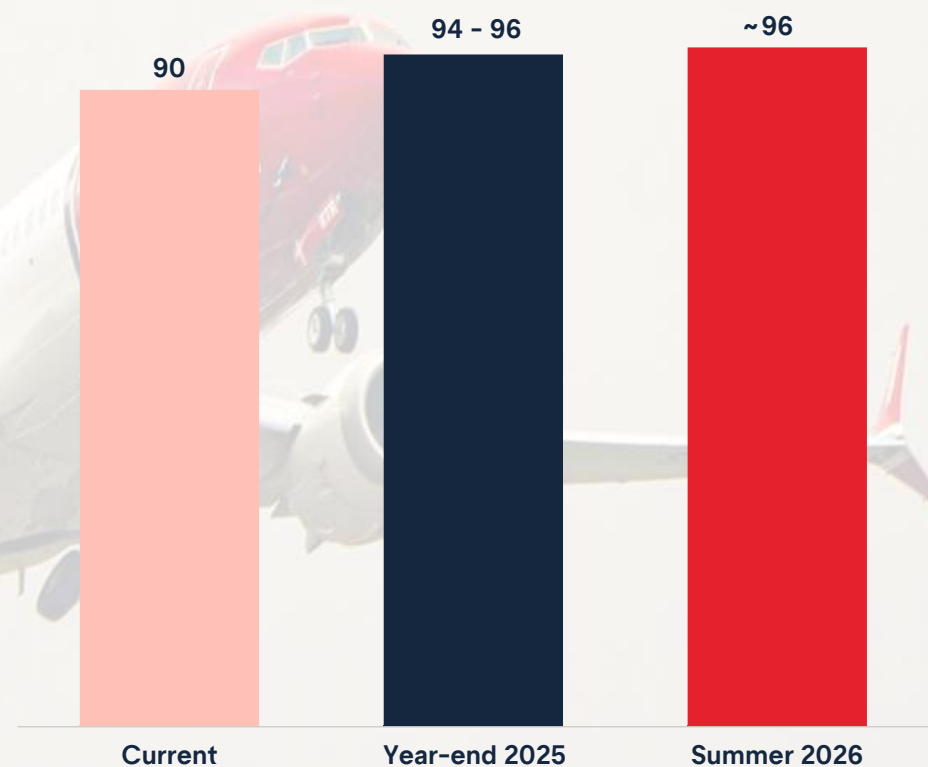
Lowering ownership cost

- Norwegian improved credit standing
 - experiencing high demand for financings
- improving future cost of financing
 - balancing cost of capital vs. cash flow

Aircraft deliveries and trade tensions

- market remains impacted by OEM delays and engine issues
 - net positive for supply/demand balance and yield environment
- trade tensions between US and key trading partners, incl. EU
 - closely monitoring situation and options

Norwegian fleet estimate until 2026





Program X: Delivering sustainable profitability

Program X to deliver by end 2026:

- underlying recurring profit improvement in excess of NOK 1 billion p.a.*
- sustained increase in EBIT margin (%)

**) baseline 2024 for Norwegian (excl. Widerøe) at constant FX and jet fuel*

What we have done so far in 2025:

- fleet control through acquisition of aircraft and spare engines
- on-time performance (OTP) with significant improvement
- rollout of new distribution platform
- realisation of additional Widerøe synergies

Results:

- significant underlying results improvement YoY
- reduced inflationary pressure on endogenous cost items


Examples of what we are doing going forward:

- **operations**
asset performance – fuel consumption savings – crew efficiency
- **cost reductions**
overhead rightsizing – efficiency via automation
- **commercial**
interlining – partnerships

Outlook

	FY 2025	Q3	Q4
 Capacity growth ¹⁾	c. 3%	c. 2%	c. -3%

FY 2025

 Norwegian unit cost excl. fuel ²⁾	Low to mid single-digit % increase
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1) available seat kilometres (ASK) vs. same period 2024
2) vs. 2024 assuming current foreign exchange rates

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