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Norse Atlantic Airways

Q2 2024 Presentation

28 August 2024

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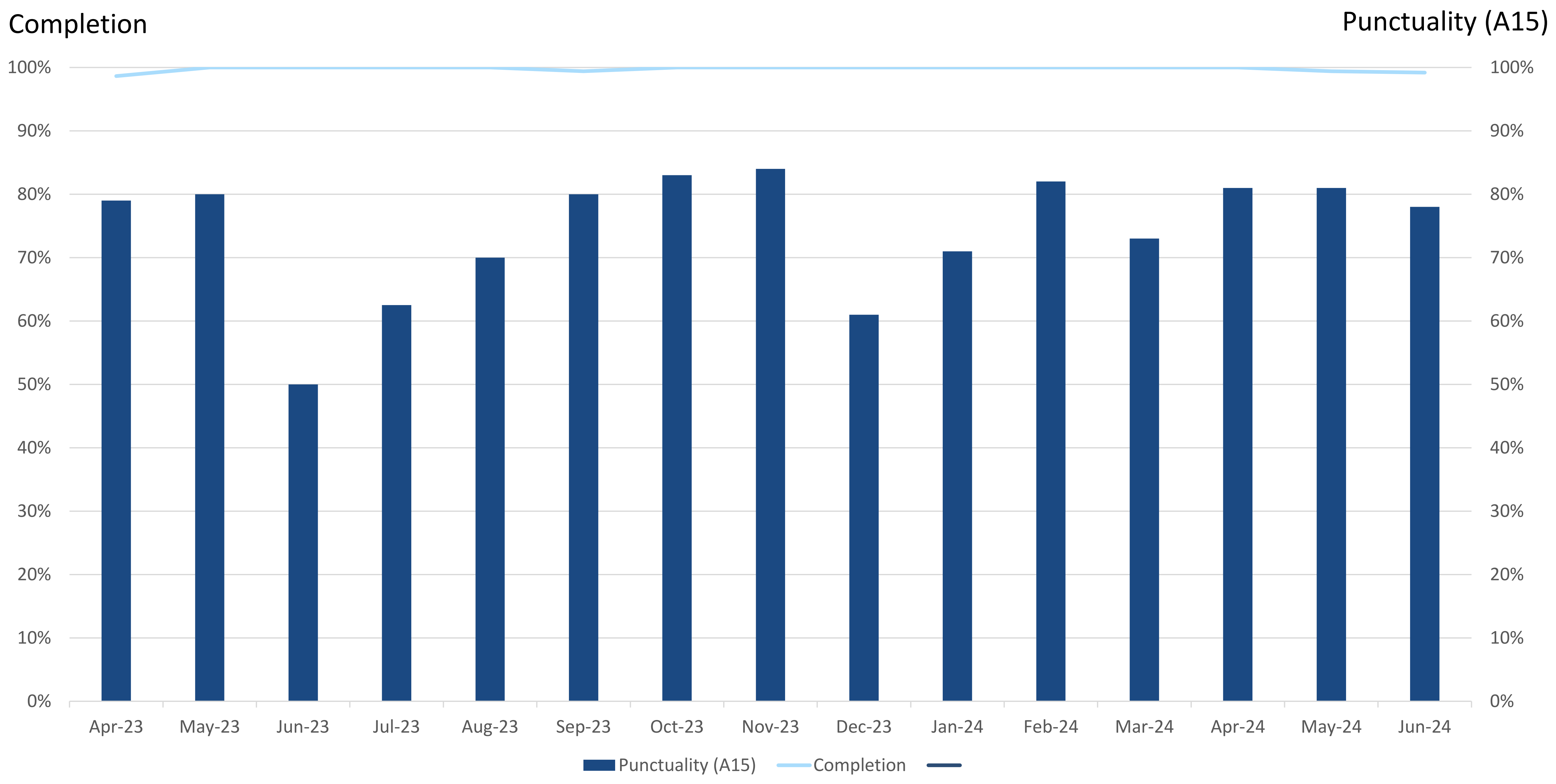
Highlights from the quarter

1. Strong growth in number of passengers and load factor
2. Airfares impacted by softer Transatlantic market
3. Cargo moving sideways as volume is up, yields still low
4. Charter/ACMI grown ten-fold compared to Q2 2023

Operational performance remains strong

% of flights completed and arriving on time

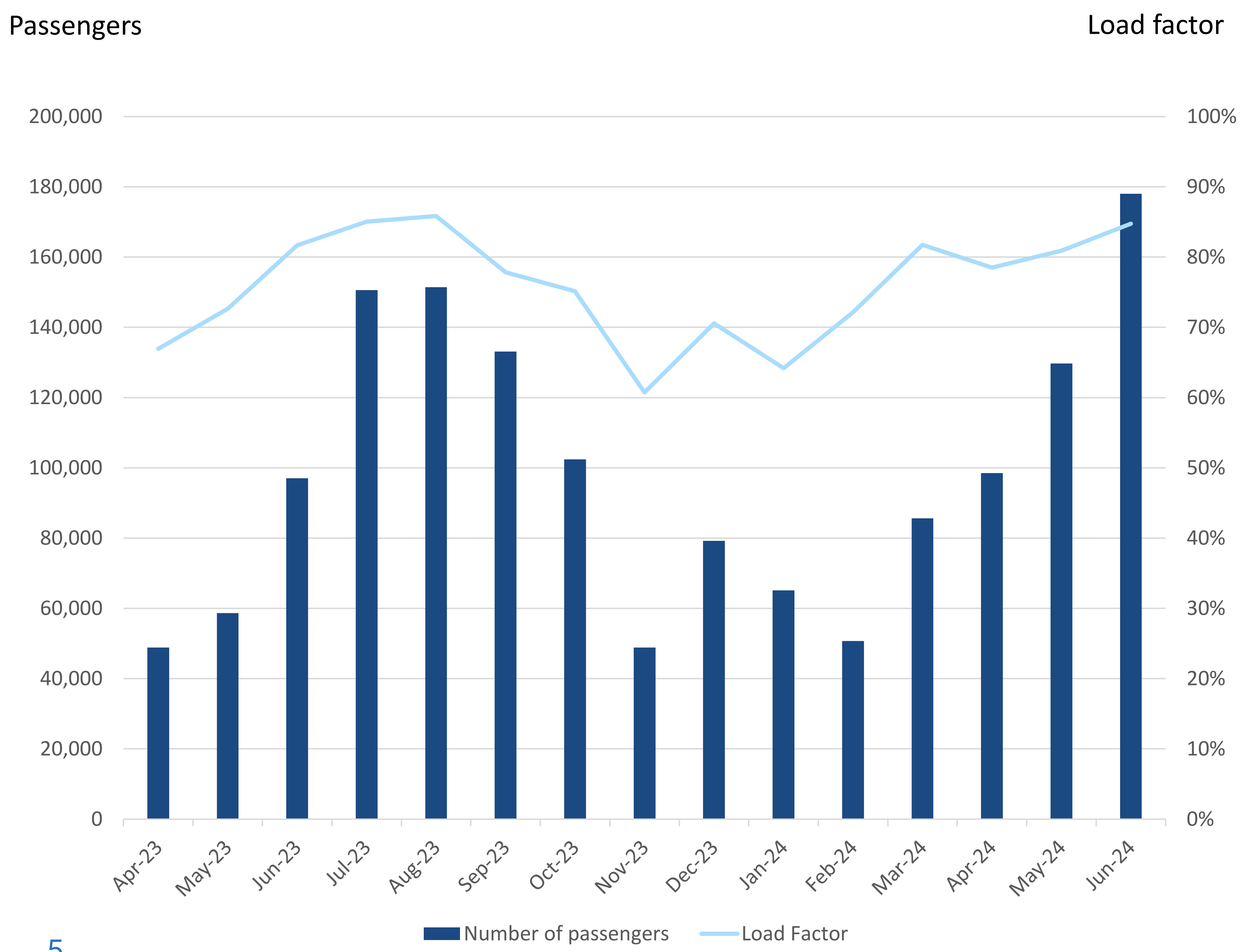


- Completion at 99.5% for the quarter
- Punctuality at 80% for the quarter

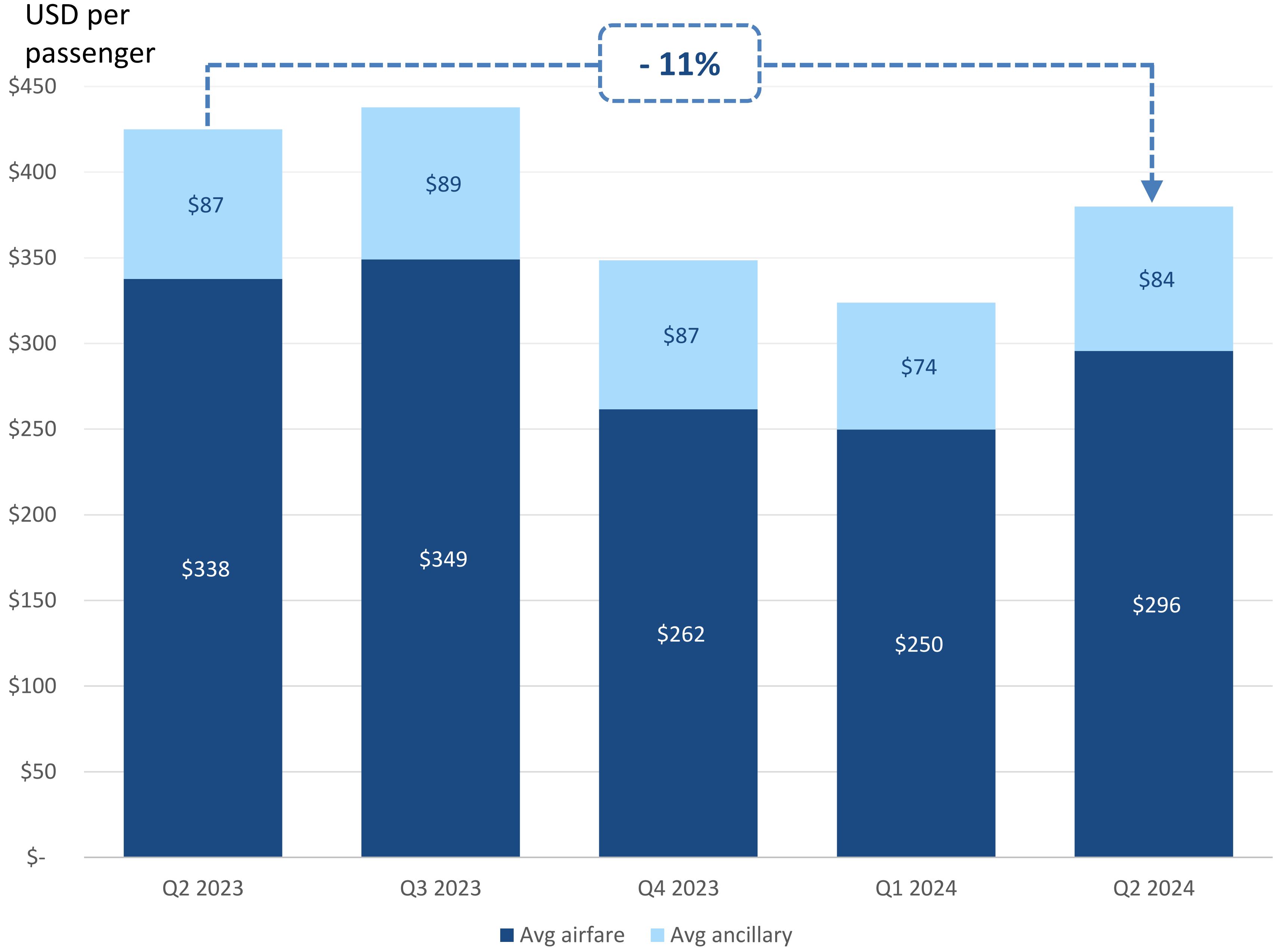
A15: Arrival within 15 minutes of scheduled time

Strong growth YoY

Quarter LF 82% +7% points YoY
Quarter Pax 406’ +201’ YoY



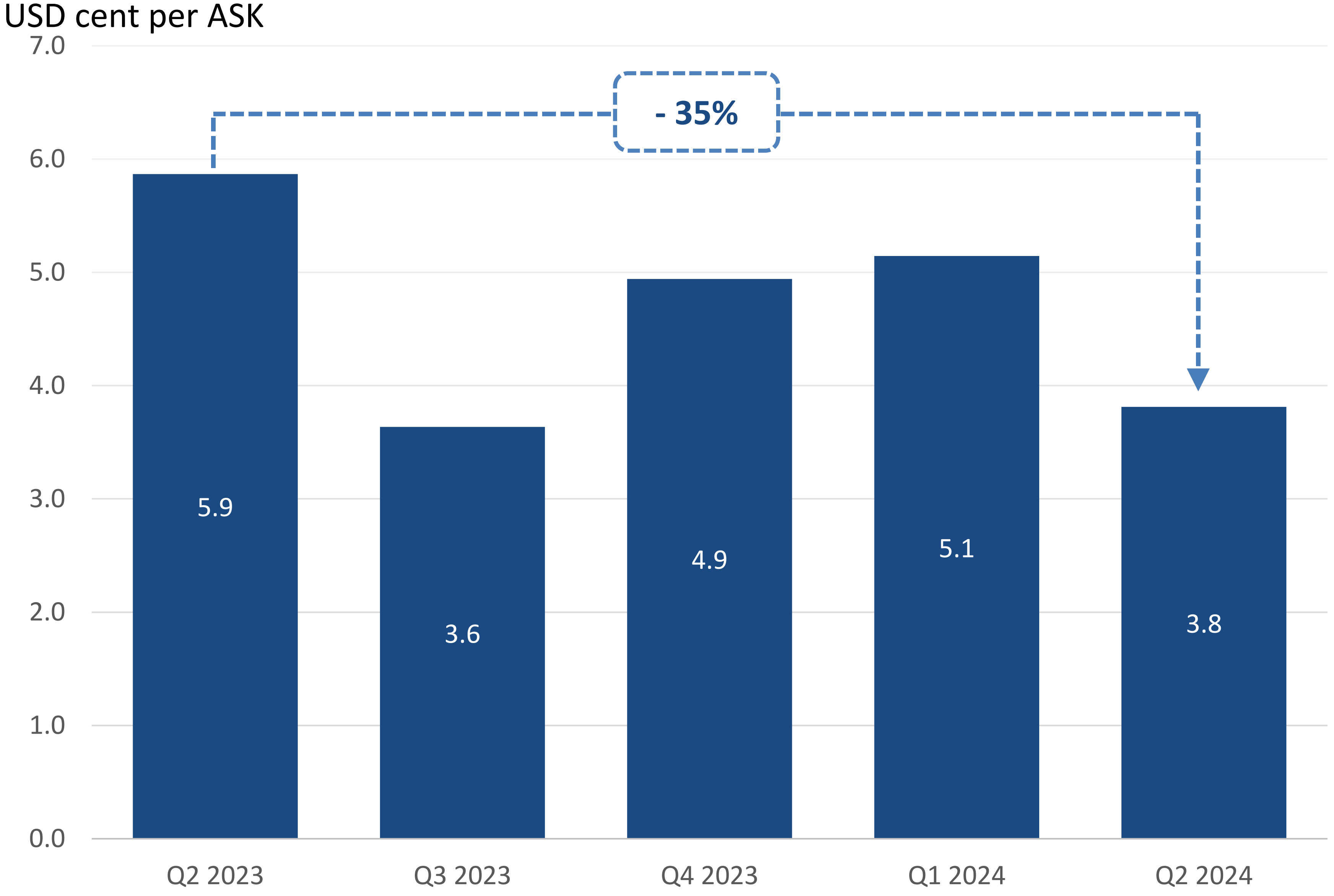
Airfares softened, while ancillary remained strong



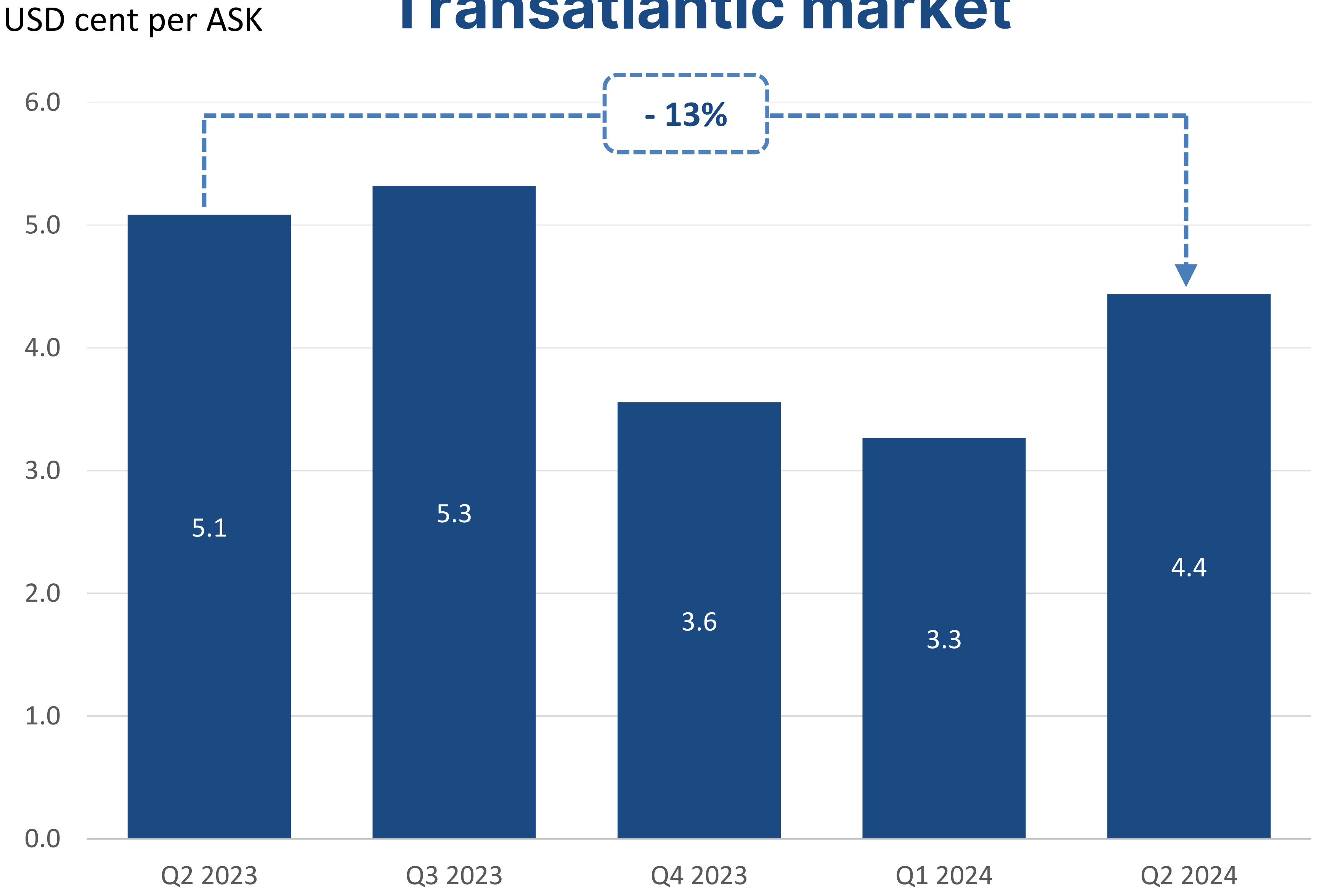
LF: Load Factor Pax: Passengers YoY: Year on Year, Q2 2024 compared to Q2 2023

Relentless cost focus drives unit cost down

CASK improving YoY…



…PRASK influenced by softer Transatlantic market



Notes: CASK defined as CASK ex. fuel, PRASK: Total passenger revenue per available seat kilometer in own network

YoY: Year on Year, Q2 2024 compared to Q2 2023

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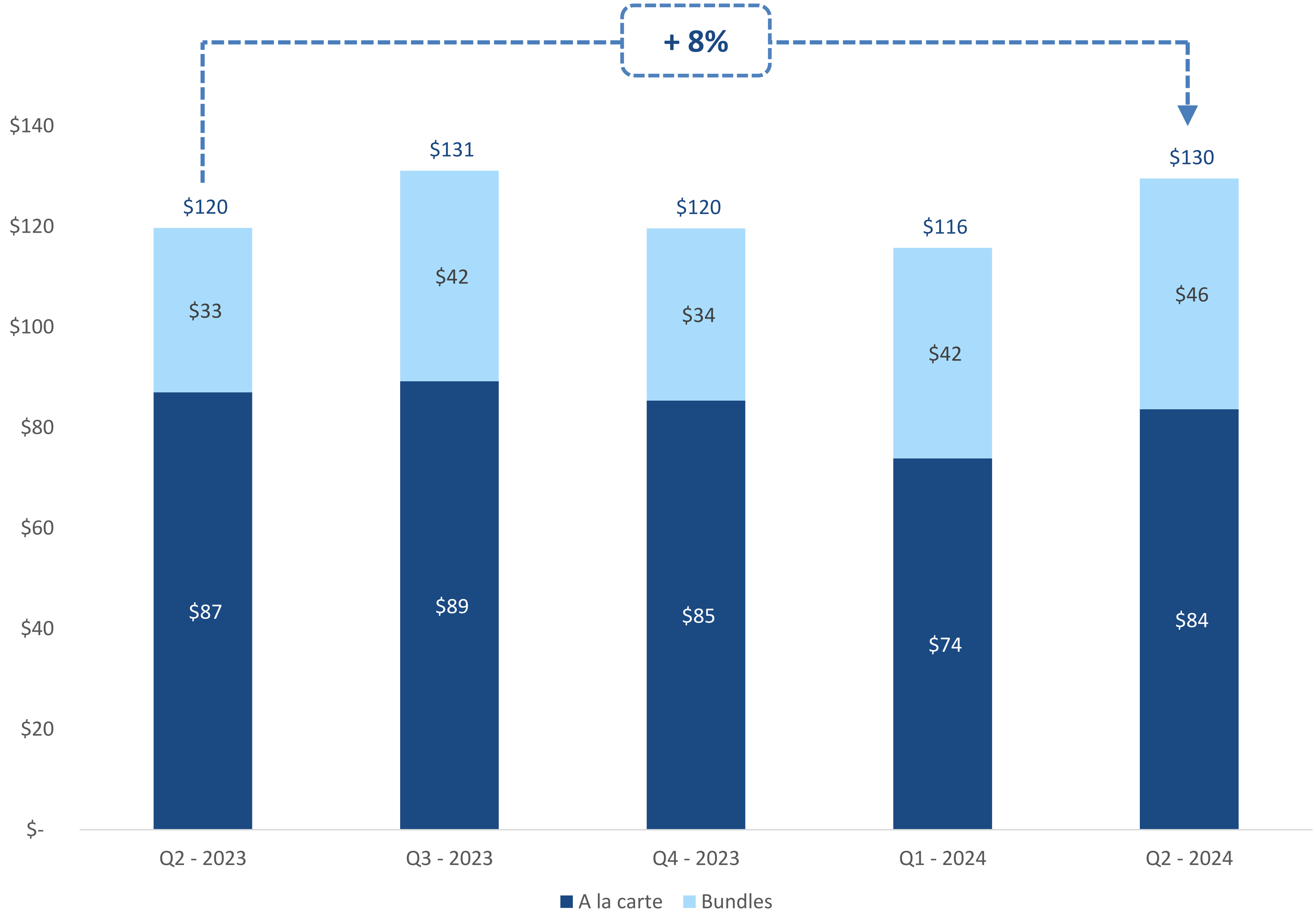
Ancillary remains best in class

- Norse's fare model provides pricing flexibility to passengers
- Ancillary revenue consists of:
  - Upgrades to Premium cabin
  - Extra baggage
  - Seat selection
  - Food and beverages
  - 3rd party sales commissions
- Continuously adding services

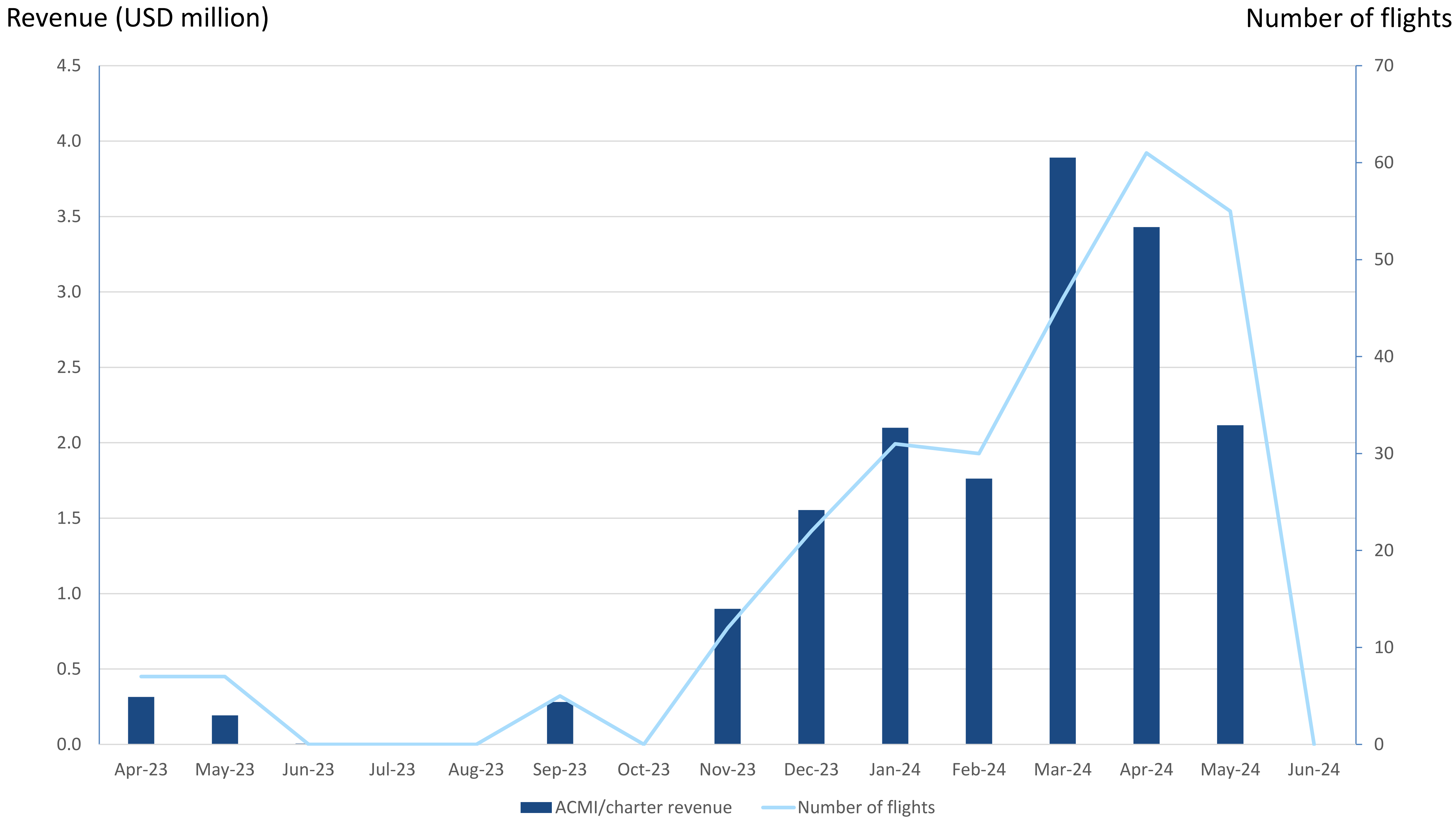
The #1 airline for ancillary revenue

Ancillary revenue per passenger USD



Bundles are ancillary items included in the original ticket price of Classic and Flextra fares and are showed as ticket revenue in our financials

Significant increase in charter



- Quarterly revenue up by 970% YoY
- No of flights up by 729% YoY

YoY: Year on Year, Q2 2024 compared to Q2 2023

Income Statement

USD thousands	3 months Q2 2024	3 months Q2 2023	6 months YTD 2024	6 months YTD 2023	12 months FY 2023
Revenue	**164,760**	**100,101**	**243,002**	**139,859**	**439,436**
Personnel expenses	32,221	23,590	60,073	42,943	99,759
Fuel, oil & emissions	53,558	25,945	85,002	47,840	152,527
Other OPEX	60,800	38,119	98,624	62,239	167,645
SG&A	15,023	10,230	23,519	17,544	37,486
EBITDAR	**3,159**	**2,218**	**(24,217)**	**(30,708)**	**(17,980)**
Variable aircraft rentals	3,532	7,755	7,770	16,480	33,139
Depreciation & amortization	21,916	20,665	43,724	41,478	84,103
EBIT	**(22,290)**	**(26,202)**	**(75,711)**	**(88,666)**	**(135,223)**
Net finance cost	9,395	8,784	18,784	17,193	33,379
EBT	**(31,684)**	**(34,986)**	**(94,495)**	**(105,859)**	**(168,602)**

- Q2 2024 revenue up 65% YoY, driven by;
  - 105% increased capacity (ASK)
  - Load factor up to average of 82% over quarter, compared to 75% in Q2 2023
  - Revenue per pax down by 11% due to softening Transatlantic market
- USD 6 million non-cash aircraft lease accounting cost during quarter (USD 14 million YTD)

YoY: Year on Year, Q4 2023 compared to Q4 2022

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Cash Flow Statement

USD thousands	3 months Q2 2024	3 months Q2 2023	*6 months* YTD 2024	*6 months* YTD 2023	*12 months* FY 2023
Operating cash flows before WC[1] movements	**2,015**	**(4,672)**	**(28,197)**	**(44,261)**	**(39,054)**
WC[1] movements	**(1,454)**	**23,667**	**31,909**	**42,487**	**18,496**
Operating cash flows	**561**	**18,996**	**3,712**	**(1,775)**	**(20,558)**
Investing cash flows	**(5,999)**	**(1,357)**	**(14,883)**	**(101)**	**(7,332)**
Financing cash flows	**(3,797)**	**(9,723)**	**(19,069)**	**(18.254)**	**1,524**
Currency effects	54	(932)	376	**(566)**	586
Net change in free cash	**(9,181)**	**6,984**	**(29,684)**	**(20,695)**	**(25,780)**
Free cash at period end	**9,466**	**44,014**	**9,466**	**44,014**	**38,929**
Restricted cash held	14,200	15,056	14,200	**15,056**	15,901
Total cash	**23,666**	**59,070**	**23,666**	**59,070**	**54,830**

- Neutral cash to/from operations during period
- End of quarter cash at USD 24 million, prior to cash release from credit card companies

1) WC: Working Capital

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Balance Sheet

Statement of financial position

USD thousands	**30 JUN 24**	**30 JUN 23**	**31 DEC 23**
Total non-current assets	907,636	949,004	935,505
Credit card receivables	*153,454*	*116,675*	*60,214*
Other receivables/current assets	*32,874*	*21,770*	*32,587*
Cash and cash equivalents	*23,666*	*59,070*	*54,830*
Total current assets	209,994	197,514	147,945
Total assets	**1,117,630**	1,146,518	**1,083,136**
Total equity	(178,196)	(82,157)	(89,697)
Total non-current liabilities	928,791	967,693	960,060
Deferred passenger revenue	*123,918*	*117,256*	*52,394*
Other current liabilities	*243,117*	*143,726*	*160,379*
Total current liabilities	367,035	260,981	212,773
Total equity & liabilities	**1,117,630**	1,146,518	**1,083,136**

- USD 153 million receivables from credit card companies for booked tickets
- Book equity reflects USD 155 million accumulated non-cash aircraft lease accounting cost since inception

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Second half of 2024

1. July *softer* than last year
2. August *stronger* than last year
3. Sales for the rest of the year *trending better* than last year

Monetizing on assets in a strong market

- Three currently subleased 787-8 to be returned to lessor during fall 2024
- Leaving Norse with a more uniform, flexible, and cost-efficient fleet
- Significant positive effects on cash and P&L
- Commercial terms agreed, completion of formal documentation in process

Successful strategic shift

- Norse has the best-in-class aircraft in a market that is short on capacity
- Strong charter demand at profitable rates
- Ongoing negotiations with several airlines for multi-year charter contracts
- De-risking the business through more secured revenue and less fuel price exposure
- Focusing network on most profitable routes and making significant cost reductions

Appendix

Key Operational Numbers

Monthly break-down over last five quarters

	Apr23	May23	Jun23	Jul23	Aug23	Sep23	Oct23	Nov23	Dec23	Jan24	Feb24	Mar24	Apr24	May24	Jun24
Number of aircraft in fleet	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Number of aircraft subleased out	5	5	5	5	5	5	5	5	5	5	5	4	4	3	3
ASK (millions)	449	511	750	1,215	1,207	1,152	900	557	800	711	485	752	866	1,154	1,481
RPK (millions)	300	371	619	1,034	1,036	896	676	339	564	456	350	615	680	933	1,255
Load factor	67%	73%	83%	85%	86%	78%	75%	61%	71%	64%	72%	82%	79%	81%	85%
Number of passengers (thousand)	49	57	97	151	151	133	102	49	79	65	51	86	99	130	178
Number of flights	218	243	351	524	520	503	403	242	343	313	225	324	398	513	620

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Thank You For Flying With Us

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