

Q3
2023

NTC INFRASTRUCTURE AS



TABLE OF CONTENTS

QUARTERLY HIGHLIGHTS

ALTERNATIVE PERFORMANCE MEASURES

UNAUDITED INTERIM CONSOLIDATED REPORT

ABOUT THE GROUP

QUARTERLY HIGHLIGHTS

General

- The inflow of visiting guests to Tromsø and Romsdalen, where the Group owns and operates the gondolas, continued to show strong growth compared to Q3-2022. Number of visitors to the destinations are now higher than pre-pandemic levels and continues to grow
- Revenue in Q3-2023 was NOK 42.5 million, which translates to an increase of 54% compared to NOK 27.6 million in Q3-2022
- Reported EBITDA in Q3-2023 was NOK 27.9 million, which translates to an increase of 85% compared to NOK 15.1 million in Q3-2022. In Q3-2023, the Group reached an EBITDA margin of 66%, compared to 55% in Q3-2022, demonstrating the scalability of the business
- The growth in the revenue is driven by a combination of growth in number of visitors and a higher achieved price
- Number of visitors in Q3-2023 was 136 659, a 41% increase from Q3-2022. Compared to Q3-2022, Fjellheisen and the Romsdalen gondola increased number of visitors with 49% and 33%, respectively
- Average achieved price in Q3-2023 increased with 13% to NOK 317 compared to NOK 280 in Q3-2022
- Operational expenses in Q3-2023 were NOK 14.6m which is a growth of 17% compared to Q3-2022. The increase in costs has primarily been driven by one-off costs and extended opening hours. Going forward costs are expected to stabilize at historic levels (adjusted for inflation)
- The Group continued to see increased demand for its experiences throughout the quarter and this has continued into Q4-2023. The outlook for the fourth quarter and 2024 is strong
- The planning and design of the refurbishment of Fjellheisen's top and bottom station, including the mountain restaurant, which will increase the quality of the Fjellheisen experience, is progressing according to plan

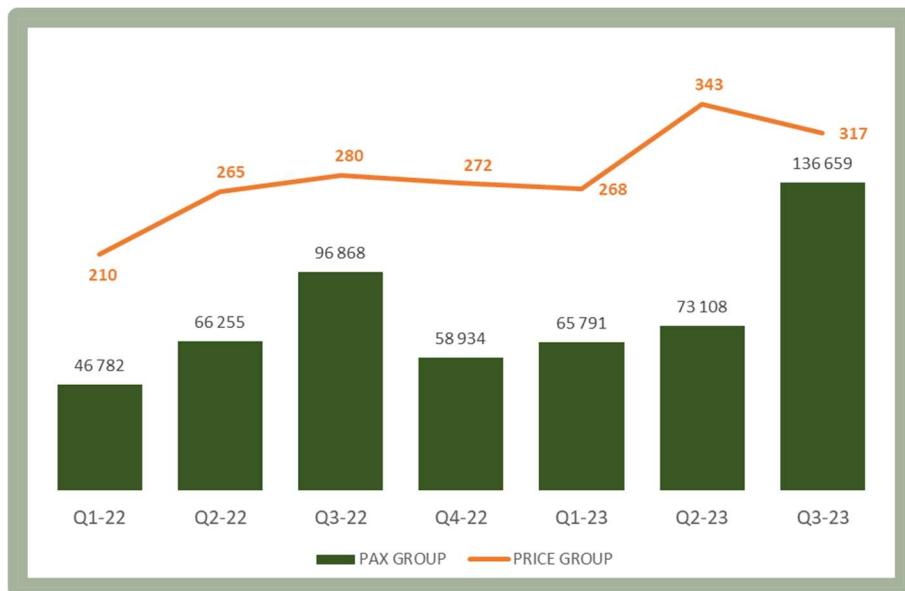
Evaluation of strategic options

In relation to the planned expansion of Fjellheisen, the Group has initiated an evaluation of the Group's strategic options in relation to structure and financing of the assets.

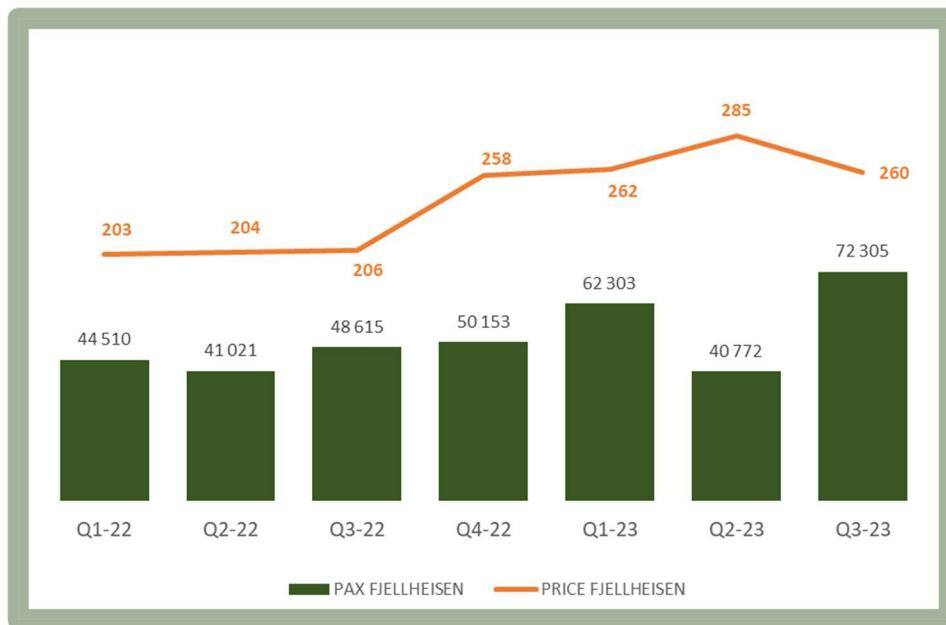
The Group and its parent company's long term strategic commitment to Tromsø and Romsdalen will not be changed as a result of this evaluation.

The Group has engaged Carnegie AS as financial advisor to assist in the evaluation process.

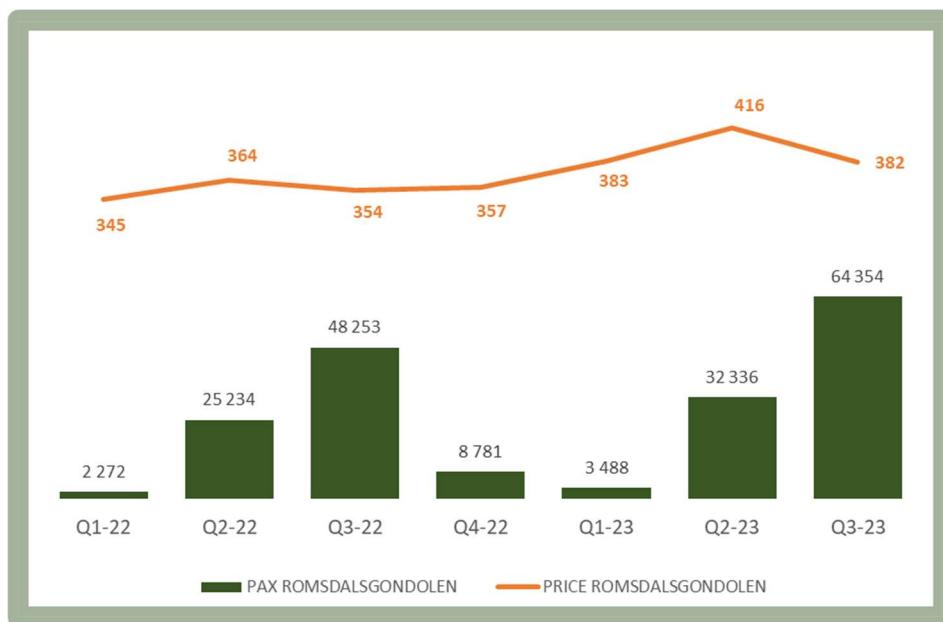
Key Performance Indicators (KPI's)



The Group delivered a very strong third quarter. Number of visitors increased by 41 % compared to Q3-2022. Further, the Group also lifted its average price by 13 % from the same period last year (NOK 317 vs. NOK 280). Over the last 2 years the Group has been able to steadily grow both volumes and prices. The volume increase has been driven by increased inbound travel and increased awareness of the attractiveness of the experience. In 2022, the Group implemented a new price strategy which is starting to come into effect. A positive effect on revenue from this initiative is expected to continue over the coming quarters.



Fjellheisen has delivered strong growth in the third quarter. Number of visitors increased by 49 % compared to Q3-2022. Further, the average price was lifted by 26 % from the same period last year (NOK 260 vs. NOK 206). The decrease in average price from Q2-23 to Q3-23 is explained by seasonal variations.



The Romsdalen gondola has delivered strong growth in the third quarter. Number of visitors increased by 33 % compared to Q3-2022. Further, the average price was lifted by 8 % from the same period last year (NOK 382 vs. NOK 354). The decrease in average price from Q2-23 to Q3-23 is explained by seasonal variations.

Third Quarter 2023

PAX

136 659

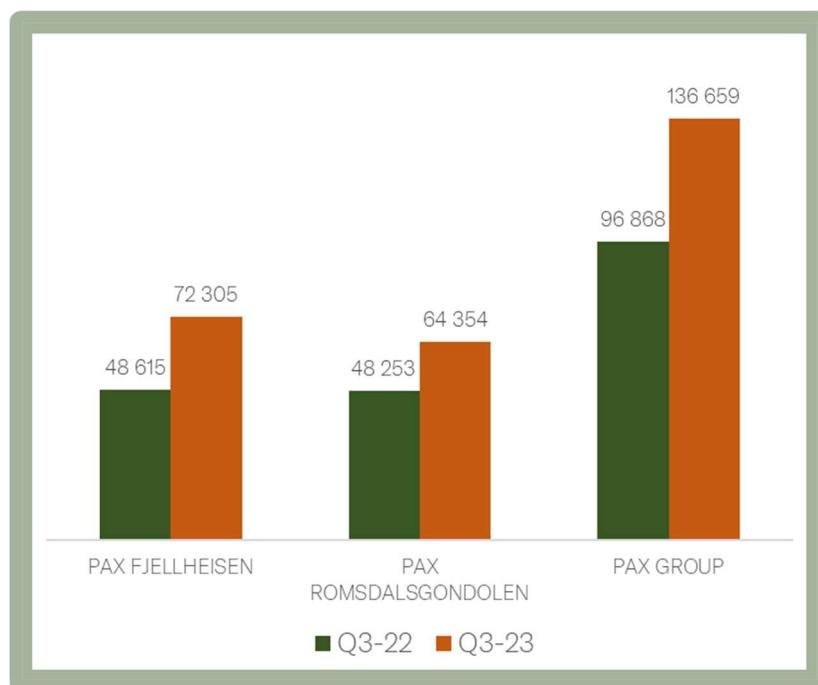
NUMBER OF VISITORS (PAX)

The Group carried 136 659 passengers in Q3-2023.

Fjellheisen reported 72 305 visitors in Q3-2023, an increase of 23 690 visitors (+ 49 %) from the same period last year.

The Romsdalen gondola reported 64 354 visitors in Q3-2023, an increase of 16 101 visitors (+ 33 %) from the same period last year.

In total, the Group reported an increase in visitors by 41 % compared to Q3-2022 and an increase of 87 % compared to the last quarter.



Third Quarter 2023

AVERAGE PRICE

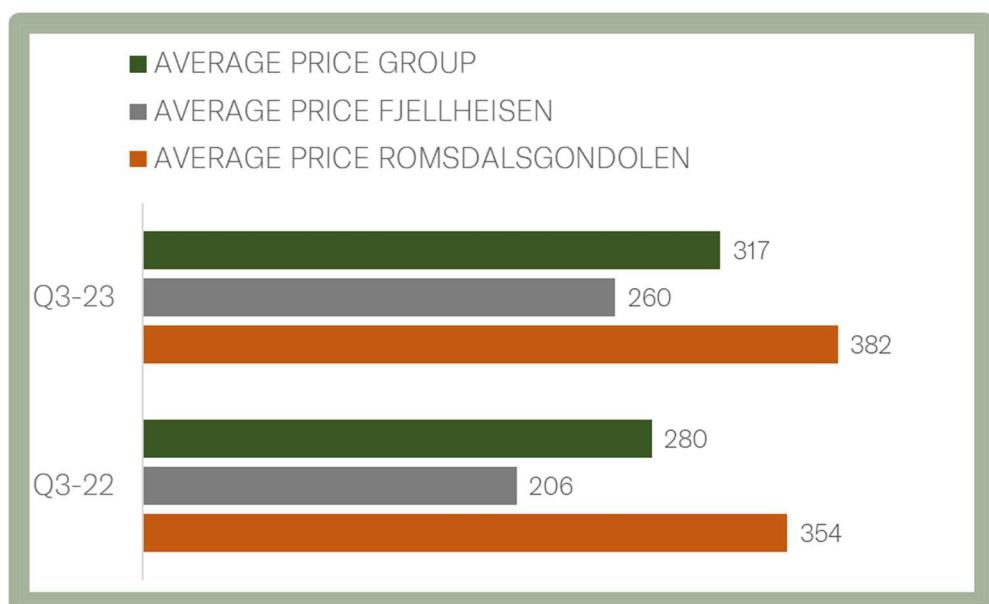
317

AVERAGE PRICE

The average price per ticket for Q3-2023 ended at NOK 317. The Group lifted its average price by 13 % from last year's third quarter (21 % from the average price of 2022). The average price for Fjellheisen is up 26 %, while the Romsdalen gondola increased its average price by 8 %.

Compared to last quarter the price decreased by 7 % for the Group, which was driven by seasonal ticket mix effects. The average price for Fjellheisen is down 9 %, quarter on quarter, while the Romsdalen gondola decreased its average price by 8 %. The decrease in average price follows a natural shift towards a higher fraction of one-way tickets sold during the summer high season (an increase from 12 % to 17 %). The decrease in average price is also affected by a larger number of cruise ships with special group prices.

The price differs across the two gondolas, and the product mix from quarter to quarter will have an impact on the average price. From Q2-23 to Q3-23 there have been minor changes in the product mix. Hence, the change in average price is marginally affected by the product mix for this reported quarter.



OUTLOOK

The Group has experienced strong growth in visitors to the gondolas over the last years which has been driven by i) increased inbound travel and ii) increased awareness of the attractiveness of the experience among travelers to the Tromsø and Romsdalen regions.

As of Q3-2023, the gondolas are top attractions on TripAdvisor, which is expected to continue to drive growth in visitors going forward.

The Group expects the growth in visitors to continue in Q4-2023 and into 2024. This is supported by the growth in number of visitors in October.

In addition, the Group has introduced a new pricing scheme for the gondolas which will increase prices in 2024 compared to 2023, and the effect of this initiative is already starting to materialize.

As a result of the above-mentioned initiatives and underlying growth in inbound travel, the Group expects EBITDA to grow from current levels.

For the full-year 2023, the Group expects to achieve NOK 109 million in revenue with NOK 77 million in EBITDA before group contribution (NOK 61 million post contribution to the group related to intra-group services provided by Norwegian Travel).



Financial update

The consolidated financial statement for Q3-2023 (unaudited) have been prepared for the period from 1 July to 30 September 2023, and for year to date up until third quarter starting 1 January and ending 30 September 2023.

NTC Infrastructure delivered a strong performance during the third quarter of 2023.

Third Quarter 2023	Third Quarter 2023	Third Quarter 2023
REVENUE	EBITDA	EBITDA margin
NOKm 42.5	NOKm 27.9	66%
Year to date 2023	Year to date 2023	Year to date 2023
REVENUE	EBITDA	EBITDA margin
NOKm 85.4	NOKm 47	55%

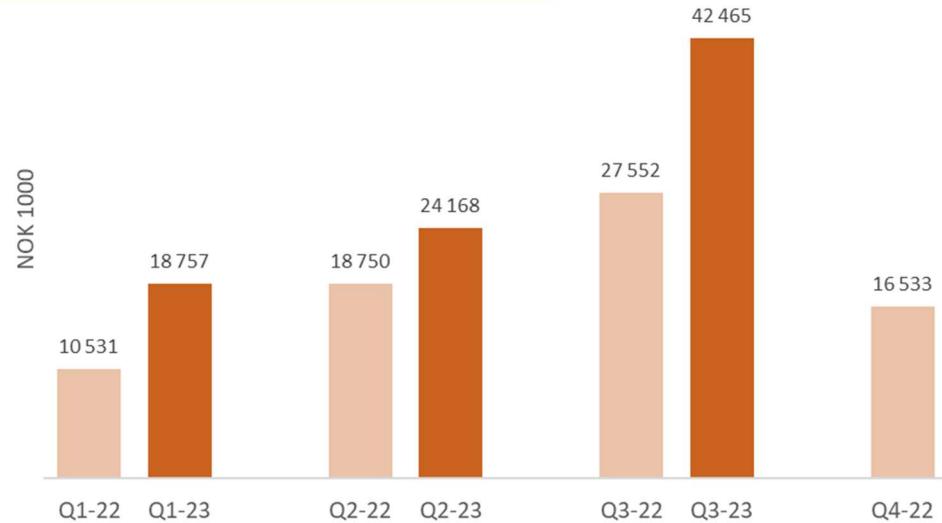
INCOME STATEMENT (UNAUDITED) Q3-23 AND YEAR TO DATE UP UNTIL Q3 2023

Revenue in Q3-2023 ended at NOK 42.5 million with an EBITDA of NOK 27.9 million. Revenue is up by 54 % from the same quarter last year, and up by 76 % compared to Q2-2023. The year to date up until Q3-2023 shows strong numbers compared to the year to date up until Q3-2022. Revenue is up by 50 %, and EBITDA is up by 89 %.

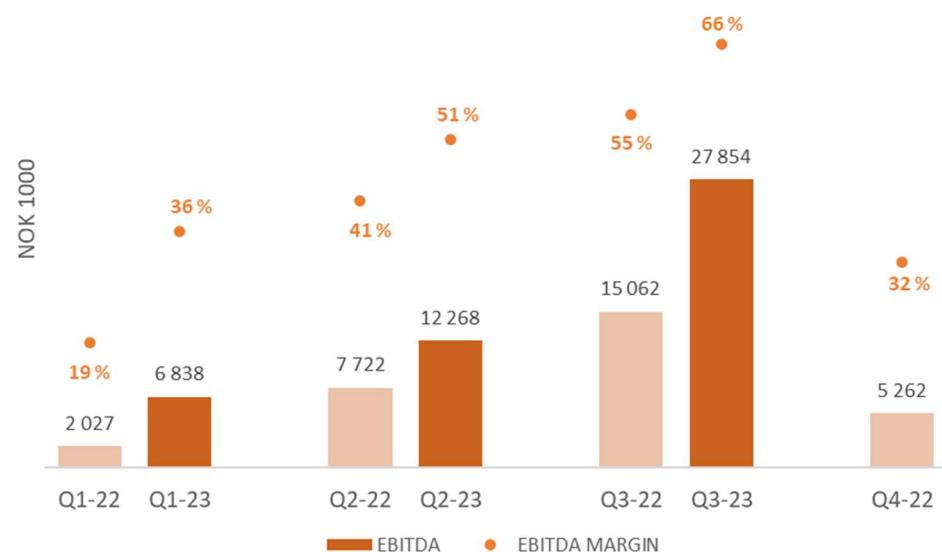
Both gondolas have been operating in high season during the third quarter, further both gondolas had a significant increase in visitors compared to last year. The growth in revenue is a result of good visitor numbers and an increase in the price.

EBITDA grew from NOK 12.3 million in Q2-2023 to NOK 27.9 million in Q3-2023. Compared to the same quarter last year, EBITDA is up by 85 %.

NTC INFRASTRUCTURE GROUP - REVENUE



NTC INFRASTRUCTURE GROUP - EBITDA & EBITDA MARGIN



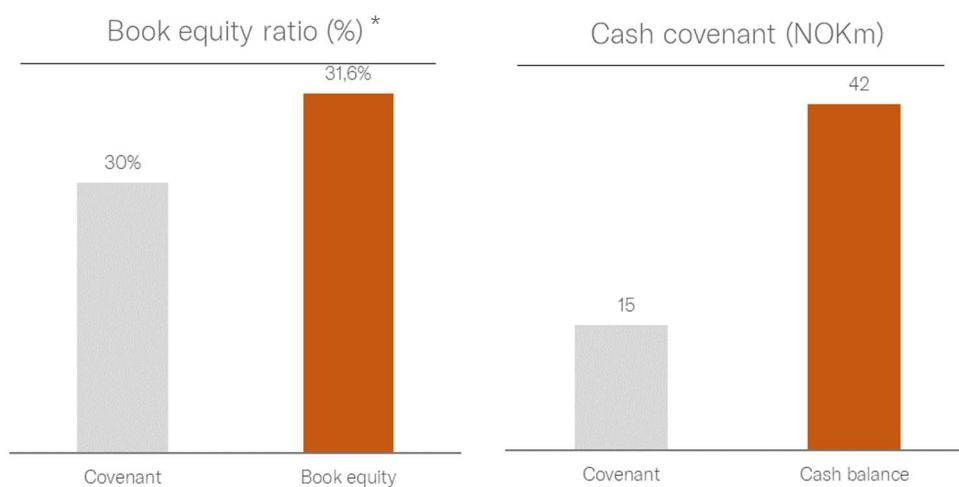
BALANCE SHEET AND LIQUIDITY (UNAUDITED) Q3 AND YEAR TO DATE UP UNTIL Q3 2023

The Group held a total book equity* of NOK 202.4 million at the end of Q3-2023. Total assets were NOK 639.6 million. The majority of the balance sheet is related to the infrastructure of the gondolas (NOK 436.0 million) and goodwill (NOK 149.9 million).

As of 30 September 2023, the Group has a book equity ratio of 31.6 %, and liquidity of NOK 41.7 million (calculated in accordance with the terms of its bond agreement). Therefore, the Group has complied with the financial covenants during the Q3-2023 reporting period. With respect to the foreseeable reporting periods, Management has plans to ensure that all relevant covenant requirement will be met.

The book value of equity is not reflective of the market value of the Group, as it simply shows the difference between the carrying value of the assets controlled by the Group, measured at historical cost basis, and the liabilities of the group measured in accordance with IFRS. The market value of the Group is deemed to be higher than the book value, as the Group has no indication of impairment for its assets, and the Group expects future profit from operations.

In future reporting periods, Management still expects an increase in the operating profit, due to the expected increase in revenues; and the realization of synergies between the Romsdalen gondola and Fjellheisen businesses, which will lead to expected cost efficiencies. In the meantime, the controlling shareholders of the Group will be committed to providing new subordinated debt for as long as it is needed in order to meet all relevant financial covenants.



* Total book equity means the consolidated book equity in accordance with IFRS plus the principal amount of any subordinated Loan

ALTERNATIVE PERFORMANCE MEASURES

The Group uses alternative performance measures ('APMs') that supplement information provided under IFRS. Management believes these measures provide with useful information for the understanding of the Group's ongoing financial performance. The APMs represent important measures for how the management monitors the group and its business activity.

EBITDA is defined as the profit or loss for the period before net financial result, taxes, depreciation and amortisation.

<i>(Amounts in NOK thousand)</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Profit/(loss) for the period	10 926	2 494	4 331	(6 194)
Income tax expense	3 082	705	1 222	(1 726)
Depreciation expenses	2 674	2 623	8 023	7 868
Financial (income)/expenses, net	11 171	9 240	33 384	24 867
EBITDA	27 854	15 062	46 960	24 815
<i>(Amounts in NOK thousand)</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022
(a) Revenue	42 465	27 552	85 389	56 838
(b) EBITDA	27 854	15 062	46 960	24 815
(b/a) EBITDA margin	66%	55%	55%	44%

NTC Infrastructure AS

Unaudited interim consolidated report

Third quarter and year to date ended 30 September 2023

TABLE OF CONTENTS

Consolidated Statement of Comprehensive Income	15
Consolidated Statement of Financial Position	16
Consolidated Statement of Cash-Flows.....	18
Consolidated Statement of Changes in Equity	19
Notes to the interim consolidated report.....	20

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK thousand</i>	<i>Notes</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenue from contracts with customers	5	41 542	26 815	82 916	53 681
Other operating income	5	923	737	2 474	3 157
Total operating revenue		42 465	27 552	85 389	56 838
Employee benefit expenses		(5 958)	(4 987)	(13 074)	(12 165)
Depreciation expenses	6	(2 674)	(2 623)	(8 023)	(7 868)
Other operating expenses		(8 654)	(7 503)	(25 355)	(19 858)
Operating profit/(loss)		25 179	12 439	38 937	16 947
Financial income		16	3	23	1 799
Financial expenses		(11 186)	(9 243)	(33 407)	(26 666)
Financial income/(expenses), net		(11 171)	(9 240)	(33 384)	(24 867)
Profit/(loss) before income tax		14 008	3 199	5 552	(7 920)
Income tax expense		(3 082)	(705)	(1 222)	1 726
PROFIT/(LOSS) FOR THE PERIOD		10 926	2 494	4 331	(6 194)
Net other comprehensive income/(loss)		-	-	-	-
COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD		10 926	2 494	4 331	(6 194)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>Amounts in NOK thousand</i>	<i>Notes</i>	30 September 2023	31 December 2022
ASSETS			
Non-current assets			
Goodwill			
Property, plant and equipment	6	149 947	149 947
Right-of-use assets		436 047	439 645
Related party loans	8	625	629
Total non-current assets		3 052	3 052
Total non-current assets		589 671	593 273
Current assets			
Trade and other receivables		4 983	1 534
Other current assets		2 791	986
Cash and cash equivalents		42 186	27 193
Total current assets		49 961	29 713
TOTAL ASSETS		639 632	622 986

<i>Amounts in NOK thousand</i>	<i>Notes</i>	30 September 2023	31 December 2022
EQUITY AND LIABILITIES			
EQUITY			
Share capital		51	51
Other equity		182 609	178 278
Total equity		182 660	178 329
LIABILITIES			
Borrowings	7	410 700	402 472
Lease liabilities		800	754
Deferred tax liabilities		15 071	13 850
Other long term liabilities	7	11 427	10 474
Total non-current liabilities		437 998	427 550
Borrowings	7	6 026	5 686
Trade and other payables		2 634	5 363
Other current liabilities		10 313	6 058
Total current liabilities		18 973	17 107
Total liabilities		456 972	444 657
TOTAL EQUITY AND LIABILITIES		639 632	622 986

**Anne Kjølsøth
Ekerholt**
Chair

Bernt Eivind Østhush
Director

Kristian Høydahl
Chief executive officer

Åndalsnes
1 November 2023

CONSOLIDATED STATEMENT OF CASH-FLOWS

<i>Amounts in NOK thousand</i>	Notes	YTD 2023	YTD 2022
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit/(loss) before income tax		5 552	(7 920)
Adjustments to reconcile profit/loss before tax to net cash flow:			
Depreciation expenses	6	8 023	7 868
Finance income/(expense), net		33 384	24 867
Working capital changes:			
Change in trade and other receivables		(3 448)	1 403
Change in trade and other payables		(2 729)	(10 196)
Change in other current assets and liabilities		7 897	3 820
Interests received		23	1 799
Interests paid		(29 624)	(22 749)
Net cash flow from operating activities		19 079	(1 108)
CASH FLOW FROM INVESTMENT ACTIVITIES:			
Payment for property, plant and equipment	6	(4 425)	(7 323)
Payment for acquisition of subsidiary, net of cash acquired		-	(217 698)
Net cash flow from investing activities		(4 425)	(225 021)
CASH FLOW FROM FINANCING ACTIVITIES:			
Net equity received			
Proceeds from borrowings	7	339	15 313
Repayment of borrowings	7	-	(173 759)
Net cash flow from financing activities		339	(158 446)
Net increase/(decrease) in cash and cash equivalents		14 993	(384 575)
Cash and cash equivalents at the beginning of the period		27 193	417 298
Cash and cash equivalents at the end of the period		42 186	32 723

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK thousand</i>	Notes	Share capital	Share premium	Other equity	Total equity
Balance at 1 January 2022		51	-	189 275	189 326
Profit for the year				(6 194)	(6 194)
Balance at 30 September 2022		51	-	183 081	183 132
Balance at 1 January 2023		51	-	178 278	178 329
Profit for the year				4 331	4 331
Balance at 30 September 2023		51	-	182 609	182 660

NOTES TO THE INTERIM CONSOLIDATED REPORT

1. General information.....	21
2. Basis for Preparation.....	21
3. Significant changes, events and transactions in the current reporting period.....	22
4. Profit and loss information	22
5. Operating Income	22
6. Property, Plant and Equipment	23
7. Borrowings.....	24
8. Related Parties.....	25
9. Events After the Reporting Period	26

1. GENERAL INFORMATION

The interim consolidated financial statements of NTC Infrastructure AS and its subsidiaries ('the Group'), for the period ending 30 September 2023 and the comparable financial statements for the period ending 30 September 2022, were authorised for issue on 1 November 2023 by resolution of the board of directors.

NTC Infrastructure AS (the Company or NTC Infrastructure) is a limited liability company incorporated and domiciled in Norway. The company was established in 2021 and the registered office is located at Jernbanegata 1, in Åndalsnes, Norway.

The Group owns and operates two gondola lifts, Romsdalsgondolen and Fjellheisen. Romsdalsgondolen is located in Rauma and provides easy access to the Nesaksla and Rømpestreken mountains. The Group also operates Fjellheisen, which is a gondola lift located in Tromsø.

The consolidated financial statements for the year ended 31 December 2022 are available at www.norwegian.travel/investor-relations

2. BASIS FOR PREPARATION

These interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "*Interim Financial Reporting*" as adopted by the European Union (the "EU") and additional requirements in the Norwegian Securities Trading Act. This interim financial report does not include all information and disclosures required by International Financial Accounting Standards ("IFRS") for a complete set of annual financial statements. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2022.

These interim financial statements are unaudited.

The accounting policies applied by the Group in these interim financial statements are the same as those applied by the Group in its financial statements for the year ended 31 December 2022.

Because of rounding differences, numbers or percentages may not add up to the sum totals.

In these interim consolidated financial statements, the third quarter (Q3) is defined as the reporting period from 1 July to 30 September. The year-to-date (YTD in this report) corresponds to the reporting period from 1 January to 30 September.

All amounts are presented in NOK thousand (TNOK) unless otherwise stated.

Going concern

These interim consolidated financial statements have been prepared based on the going concern assumption. When preparing financial statements, Management has made an assessment of the Group's ability to continue as a going concern, considering all available information about the future and including, but not limited to, 12 months after the end of the reporting period. Based on that analysis Management has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

Dependent on the financial performance of the Group, this assumption will continue to rely on the Group having further support from its majority shareholders to continue meeting its covenant requirements for the secured bond, as discussed in Note 7.1.

Significant assumptions and estimates

The preparation of financial statements requires Management and the Board of Directors to make assessments and assumptions that affect recognised assets, liabilities, income and expenses and other information provided. For further information concerning these, please refer to the NTC Infrastructure 2022 consolidated annual report (audited).

3. SIGNIFICANT CHANGES, EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

The financial position and the performance of the Group was not particularly affected by any significant events or transactions during the third quarter of 2023.

4. PROFIT AND LOSS INFORMATION

Income tax expense

Income tax expense is recognised based on Management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the current quarter is 22 % which is the same as the tax rate used for the comparable period.

Seasonality of operations

The operations of the Group is subject to certain seasonality. Higher revenues and operating profits are usually expected in the second and third quarter of the year, as these periods are considered as high seasons for both gondolas. Results for the current quarter has been in line with management's operational estimates.

5. OPERATING INCOME

The following breakdown presents the disaggregation of total operating income generated by the Group:

Operating income (Amounts in NOK thousand)	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Direct sale of tickets	37 598	24 878	76 572	49 934
Sales through joint packages with other parties	3 944	1 937	6 343	3 747
Total revenue from contracts with customers	41 542	26 815	82 916	53 681
Lease income	923	579	2 461	2 005
Other operating income	-	158	13	1 152
Total operating income	42 465	27 552	85 389	56 838

Revenue arising from other than contracts with customers includes primarily income from leasing contracts.

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (Amounts in NOK thousand)	Buildings (*) and land	Machinery, plant and other equipment	Buildings subject to operating lease	Assets under construction	Total
At 31 December 2022					
Cost	245 217	133 642	73 855	1 587	454 301
Accumulated depreciation and impairment	(7 034)	(6 177)	(1 445)	-	(14 656)
Net book amount	238 183	127 464	72 410	1 587	439 645
Period ended 30 September 2023					
Opening net book amount (1 January)	238 183	127 464	72 410	1 587	439 645
Additions	101	374		3 945	4 421
Depreciation charge	(4 179)	(3 240)	(600)	-	(8 019)
Closing net book amount	234 105	124 599	71 810	5 532	436 047
At 30 September 2023					
Cost	245 318	134 016	73 855	5 532	458 722
Accumulated depreciation and impairment	(11 213)	(9 417)	(2 045)	-	(22 675)
Net book amount	234 105	124 599	71 810	5 532	436 047

⁽¹⁾ Buildings in this category do not include those leased by the Group acting as a lessor.

7. BORROWINGS

	30 September 2023	31 December 2022
Overview of borrowings and other long-term liabilities		
(Amounts in NOK thousand)		
Non-current		
Senior secured bond	390 471	387 685
Loan from PPE supplier	11 427	10 474
Subordinated debt	19 733	14 691
Other loans with related parties	496	96
Total non-current	422 127	412 946
Current		
Other loans with related parties	6 026	5 686
Total current	6 026	5 686
Total borrowings and other long-term liabilities	428 153	418 632

7.1. COMPLIANCE WITH COVENANTS

The Group has complied with all financial covenants at the end of the reporting period, as explained in *“Balance sheet and liquidity (unaudited) Q3 2023 and year to date up until Q3 2023”* section in the management’s presentation included in this document.

8. RELATED PARTIES

8.1. TRANSACTIONS WITH RELATED PARTIES

The following table summarises the Group's transactions with related parties:

Transactions with related parties	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<i>(Amounts in NOK thousand)</i>				
Rental income	700	579	1 951	1 719
Sales of tickets through experience packages	4 627	2 401	7 332	4 063
General management services	(1 788)	(1 450)	(4 922)	(4 285)
Market and sales management services	(3 751)	(3 865)	(10 001)	(7 953)
Total related party profit or loss items	(213)	(2 335)	(5 640)	(6 456)

8.2. BALANCES WITH RELATED PARTIES

The following table summarises the Group's balances with related parties:

Balance sheet items by related party	30 September 2023	31 December 2022
Trade and other receivables	1 185	-
Subsidiaries of controlling party	1 185	-
Long-term-loan granted	3 052	3 052
Romsdalen Eiendom AS	3 052	3 052
Loan received	(6 026)	(5 804)
Romsdalen AS	(5 685)	(5 686)
Subsidiaries of controlling party	(341)	(118)
The Norwegian Travel Company AS	(496)	
Subordinated debt with The Norwegian Travel Company AS	(19 733)	(14 691)
Net assets (liabilities) with related parties	(21 522)	(17 443)

9. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors is not aware of any other events that occurred after the balance sheet date, or any new information regarding existing matters, that can have a material effect on the 2023 third quarter interim financial report for the company.

ABOUT THE GROUP

NTC Infrastructure AS was registered 1st of July 2021, with the goal of establishing the leading owner and operator of gondola infrastructure assets at high-volume destinations in Norway. Today, NTC Infrastructure owns and operates two gondola assets. Romsdalsgondolen in Rauma municipality was acquired in December 2021. The Group's second acquisition, Fjellheisen in Tromsø, was completed in January 2022. Both gondolas are the most prominent tourism infrastructure assets in their respective regions.

The Group is a part of The Norwegian Travel Company AS (Norwegian Travel). Norwegian Travel is one of the leading tourism companies in Norway, aspiring to provide all its guests with exciting and genuine experiences of Norway across all their destinations.

Romsdalsgondolen opened on May 28th 2021, and is Norway's longest cableway which provides easy access to the Nesaksla mountain and the #1 attraction "Rampestreken" in popular Romsdalen. Åndalsnes and Romsdalen are some of the most famous destinations "in the fjords" of Norway, due to the beauty of the scenery with steep mountains and fjords.

Fjellheisen in Tromsø opened in 1961, and has since its opening been the #1 attraction in Tromsø, Northern Norway's largest city & gateway to the arctic. The city offers arctic experiences both during the summer- and winter seasons and is the preferred destination for Northern Light tours as the phenomenon is most seen in areas surrounding the city. The gondola went through major upgrades in 2016, with further refurbishment of Fjellheisen's top & bottom station (including the mountain restaurant) planned in the coming years.

NTC Infrastructure's headquarter is in the city of Tromsø in Norway and the company is controlled by funds advised by Longship AS.



**Norwegian
Travel**



Fjellheisen

Romsdalsgondolen



Q3
2023

