

ELLIOTT

# NORWEGIAN NOW



February 17, 2026

# DISCLAIMER

THIS PRESENTATION IS FOR DISCUSSION AND INFORMATIONAL PURPOSES ONLY. THE VIEWS EXPRESSED HEREIN REPRESENT THE OPINIONS OF ELLIOTT INVESTMENT MANAGEMENT L.P. AND ITS AFFILIATES (COLLECTIVELY, "ELLIOTT MANAGEMENT") AS OF THE DATE HEREOF. ELLIOTT MANAGEMENT RESERVES THE RIGHT TO CHANGE OR MODIFY ANY OF ITS OPINIONS EXPRESSED HEREIN AT ANY TIME AND FOR ANY REASON AND EXPRESSLY DISCLAIMS ANY OBLIGATION TO CORRECT, UPDATE OR REVISE THE INFORMATION CONTAINED HEREIN OR TO OTHERWISE PROVIDE ANY ADDITIONAL MATERIALS.

ALL OF THE INFORMATION CONTAINED HEREIN IS BASED ON PUBLICLY AVAILABLE INFORMATION WITH RESPECT TO NORWEGIAN CRUISE LINE HOLDINGS LTD. (THE "COMPANY"), INCLUDING FILINGS MADE BY THE COMPANY WITH THE SECURITIES AND EXCHANGE COMMISSION ("SEC") AND OTHER SOURCES, AS WELL AS ELLIOTT MANAGEMENT'S ANALYSIS OF SUCH PUBLICLY AVAILABLE INFORMATION. ELLIOTT MANAGEMENT HAS RELIED UPON AND ASSUMED, WITHOUT INDEPENDENT VERIFICATION, THE ACCURACY AND COMPLETENESS OF ALL DATA AND INFORMATION AVAILABLE FROM PUBLIC SOURCES, AND NO REPRESENTATION OR WARRANTY IS MADE THAT ANY SUCH DATA OR INFORMATION IS ACCURATE. ELLIOTT MANAGEMENT RECOGNIZES THAT THERE MAY BE CONFIDENTIAL OR OTHERWISE NON-PUBLIC INFORMATION WITH RESPECT TO THE COMPANY THAT COULD ALTER THE OPINIONS OF ELLIOTT MANAGEMENT WERE SUCH INFORMATION KNOWN. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS GIVEN AS TO THE RELIABILITY, ACCURACY, FAIRNESS OR COMPLETENESS OF THE INFORMATION OR OPINIONS CONTAINED HEREIN, AND ELLIOTT MANAGEMENT AND EACH OF ITS DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES AND AGENTS EXPRESSLY DISCLAIM ANY LIABILITY WHICH MAY ARISE FROM THIS PRESENTATION AND ANY ERRORS CONTAINED HEREIN AND/OR OMISSIONS HEREFROM OR FROM ANY USE OF THE CONTENTS OF THIS PRESENTATION.

EXCEPT FOR THE HISTORICAL INFORMATION CONTAINED HEREIN, THE INFORMATION AND OPINIONS INCLUDED IN THIS PRESENTATION CONSTITUTE FORWARD-LOOKING STATEMENTS, INCLUDING ESTIMATES AND PROJECTIONS PREPARED WITH RESPECT TO, AMONG OTHER THINGS, THE COMPANY'S ANTICIPATED OPERATING PERFORMANCE, THE VALUE OF THE COMPANY'S SECURITIES, DEBT OR ANY RELATED FINANCIAL INSTRUMENTS THAT ARE BASED UPON OR RELATE TO THE VALUE OF SECURITIES OF THE COMPANY (COLLECTIVELY, "COMPANY SECURITIES"), GENERAL ECONOMIC AND MARKET CONDITIONS AND OTHER FUTURE EVENTS. YOU SHOULD BE AWARE THAT ALL FORWARD-LOOKING STATEMENTS, ESTIMATES AND PROJECTIONS ARE INHERENTLY UNCERTAIN AND SUBJECT TO SIGNIFICANT ECONOMIC, COMPETITIVE, AND OTHER UNCERTAINTIES AND CONTINGENCIES AND HAVE BEEN INCLUDED SOLELY FOR ILLUSTRATIVE PURPOSES. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THE INFORMATION CONTAINED HEREIN DUE TO REASONS THAT MAY OR MAY NOT BE FORESEEABLE. THERE CAN BE NO ASSURANCE THAT THE COMPANY SECURITIES WILL TRADE AT THE PRICES THAT MAY BE IMPLIED HEREIN, AND THERE CAN BE NO ASSURANCE THAT ANY OPINION OR ASSUMPTION HEREIN IS, OR WILL BE PROVEN, CORRECT.

THIS PRESENTATION AND ANY OPINIONS EXPRESSED HEREIN SHOULD IN NO WAY BE VIEWED AS ADVICE ON THE MERITS OF ANY INVESTMENT DECISION WITH RESPECT TO THE COMPANY, COMPANY SECURITIES OR ANY TRANSACTION. THIS PRESENTATION IS NOT (AND MAY NOT BE CONSTRUED TO BE) LEGAL, TAX, INVESTMENT, FINANCIAL OR OTHER ADVICE. EACH RECIPIENT SHOULD CONSULT THEIR OWN LEGAL COUNSEL AND TAX AND FINANCIAL ADVISERS AS TO LEGAL AND OTHER MATTERS CONCERNING THE INFORMATION CONTAINED HEREIN. THIS PRESENTATION DOES NOT PURPORT TO BE ALL-INCLUSIVE OR TO CONTAIN ALL OF THE INFORMATION THAT MAY BE RELEVANT TO AN EVALUATION OF THE COMPANY, COMPANY SECURITIES OR THE MATTERS DESCRIBED HEREIN.

THIS PRESENTATION DOES NOT CONSTITUTE (AND MAY NOT BE CONSTRUED TO BE) A SOLICITATION OR OFFER BY ELLIOTT MANAGEMENT OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES OR AGENTS TO BUY OR SELL ANY COMPANY SECURITIES OR SECURITIES OF ANY OTHER PERSON IN ANY JURISDICTION OR AN OFFER TO SELL AN INTEREST IN FUNDS MANAGED BY ELLIOTT MANAGEMENT. THIS PRESENTATION DOES NOT CONSTITUTE FINANCIAL PROMOTION, INVESTMENT ADVICE OR AN INDUCEMENT OR ENCOURAGEMENT TO PARTICIPATE IN ANY PRODUCT, OFFERING OR INVESTMENT OR TO ENTER INTO ANY AGREEMENT WITH THE RECIPIENT. NO AGREEMENT, COMMITMENT, UNDERSTANDING OR OTHER LEGAL RELATIONSHIP EXISTS OR MAY BE DEEMED TO EXIST BETWEEN OR AMONG ELLIOTT MANAGEMENT AND ANY OTHER PERSON BY VIRTUE OF FURNISHING THIS PRESENTATION. NO REPRESENTATION OR WARRANTY IS MADE THAT ELLIOTT MANAGEMENT'S INVESTMENT PROCESSES OR INVESTMENT OBJECTIVES WILL OR ARE LIKELY TO BE ACHIEVED OR SUCCESSFUL OR THAT ELLIOTT MANAGEMENT'S INVESTMENTS WILL MAKE ANY PROFIT OR WILL NOT SUSTAIN LOSSES. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

FUNDS MANAGED BY ELLIOTT MANAGEMENT CURRENTLY BENEFICIALLY OWN AND/OR HAVE AN ECONOMIC INTEREST IN AND MAY IN THE FUTURE BENEFICIALLY OWN AND/OR HAVE AN ECONOMIC INTEREST IN, COMPANY SECURITIES. ELLIOTT MANAGEMENT INTENDS TO REVIEW ITS INVESTMENTS IN THE COMPANY ON A CONTINUING BASIS AND DEPENDING UPON VARIOUS FACTORS, INCLUDING WITHOUT LIMITATION, THE COMPANY'S FINANCIAL POSITION AND STRATEGIC DIRECTION, THE OUTCOME OF ANY DISCUSSIONS WITH THE COMPANY, OVERALL MARKET CONDITIONS, OTHER INVESTMENT OPPORTUNITIES AVAILABLE TO ELLIOTT MANAGEMENT, AND THE AVAILABILITY OF COMPANY SECURITIES AT PRICES THAT WOULD MAKE THE PURCHASE OR SALE OF COMPANY SECURITIES DESIRABLE, ELLIOTT MANAGEMENT MAY FROM TIME TO TIME (IN THE OPEN MARKET OR IN PRIVATE TRANSACTIONS, INCLUDING SINCE THE INCEPTION OF ELLIOTT MANAGEMENT'S POSITION) BUY, SELL, COVER, HEDGE OR OTHERWISE CHANGE THE FORM OR SUBSTANCE OF ANY OF ITS INVESTMENTS (INCLUDING COMPANY SECURITIES) TO ANY DEGREE IN ANY MANNER PERMITTED BY LAW AND EXPRESSLY DISCLAIMS ANY OBLIGATION TO NOTIFY OTHERS OF ANY SUCH CHANGES. ELLIOTT MANAGEMENT ALSO RESERVES THE RIGHT TO TAKE ANY ACTIONS WITH RESPECT TO ITS INVESTMENTS IN THE COMPANY AS IT MAY DEEM APPROPRIATE.

ELLIOTT MANAGEMENT HAS NOT SOUGHT OR OBTAINED CONSENT FROM ANY THIRD PARTY TO USE ANY STATEMENTS OR INFORMATION CONTAINED HEREIN. ANY SUCH STATEMENTS OR INFORMATION SHOULD NOT BE VIEWED AS INDICATING THE SUPPORT OF SUCH THIRD PARTY FOR THE VIEWS EXPRESSED HEREIN. ALL TRADEMARKS AND TRADE NAMES USED HEREIN ARE THE EXCLUSIVE PROPERTY OF THEIR RESPECTIVE OWNERS.



## Executive Summary

Summary of Elliott's Views on Norwegian

### Wasteful Culture

A Decade of Cost Underperformance

### Strategic Errors and Poor Execution

Strategic Missteps and Poor Execution in All Key Areas

### Failed Corporate Governance

Complete Breakdown of Corporate Governance and Management Oversight

### Norwegian Now

A Clear Path to Improve Performance, Restore Credibility and Deliver on Norwegian's Potential

# ABOUT ELLIOTT

Founded in 1977, Elliott Investment Management L.P. (together with its affiliates, “Elliott”) is one of the oldest investment managers of its kind under continuous management. As of December 31, 2025, Elliott manages approximately \$79.8 billion in assets. Our investors include pension funds, private endowments, charitable foundations, family offices and employees of the firm, and our offices are located in Florida, Connecticut, New York, California and London

## Approach to Active Investing

- **Extensive Due Diligence:** Elliott thoroughly researches each opportunity by drawing on internal and external resources
- **Team Approach:** Elliott has a diverse team of specialized experts in shareholder engagement, corporate governance, capital markets, public relations and government relations
- **Hands-On Effort:** We believe Elliott’s strength is in identifying and catalyzing the necessary changes in each situation
- **Industry Focus:** We work to develop deep sector knowledge and draw upon our network of industry advisors to help inform our perspectives

## Elliott’s Diligence on Norwegian Cruise Line

- Engaged in more than 115 conversations with former Norwegian employees and other cruise industry participants
- Engaged leading consulting and advisory firms to evaluate Norwegian’s commercial strategy, operations, organizational structure and cost profile to identify revenue and efficiency opportunities

## Representative Engagements



# OVERVIEW OF NORWEGIAN

Norwegian Cruise Line Holdings (“Norwegian” or “the Company”) is the fourth-largest cruise operator, serving 3 million guests annually across all seven continents. Norwegian **has a high-quality, well-invested fleet that leads the industry** on relevant metrics

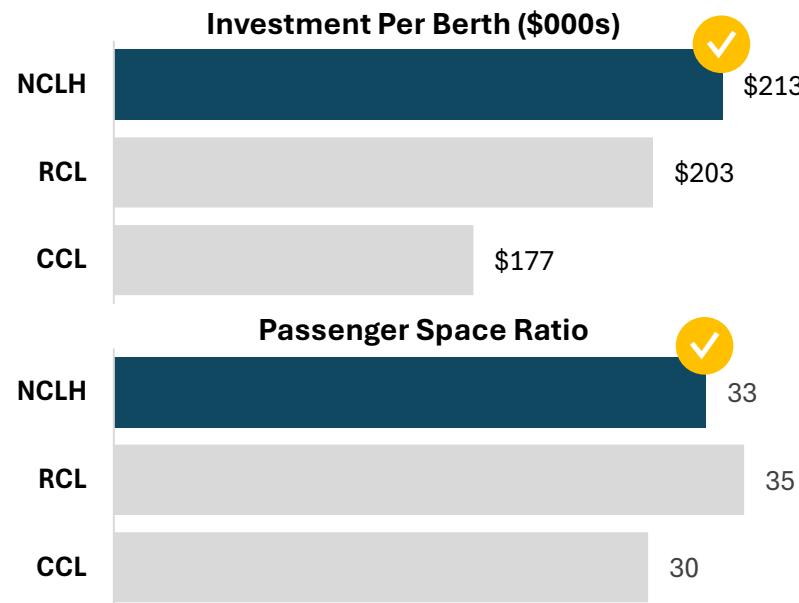
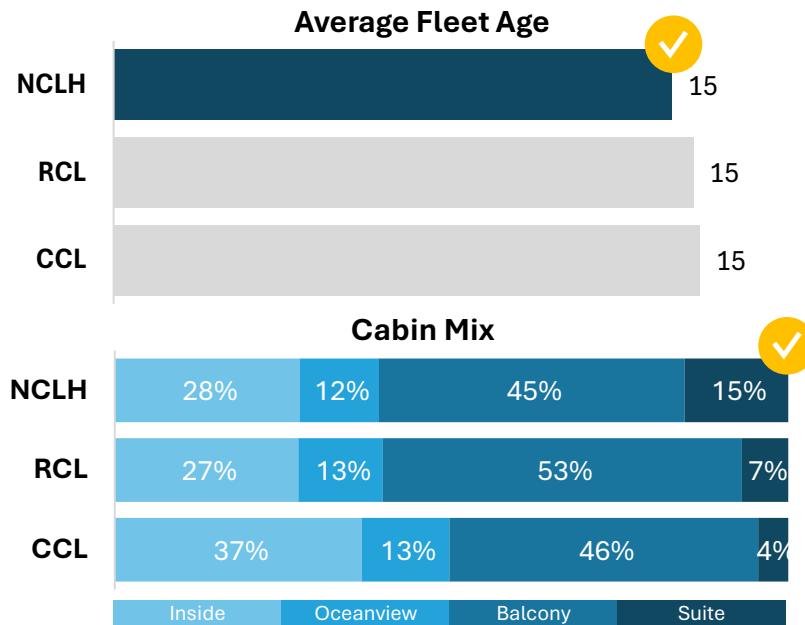
## Operating Brands



## Key Financial Statistics

Market Value	\$9.8B
Net Debt	\$14.4B
Enterprise Value	\$24.1B
2026E Net Revenue <sup>(1)</sup>	\$8.1B
2026E EBITDA <sup>(2)</sup>	\$3.0B

## Norwegian's Industry-Leading Assets<sup>(3)</sup>



Source: Company filings, Bloomberg as of 2/13/2026, cruise industry databases. (1) Reflects gross revenue net of commissions, transportation and onboard expense. (2) Here and throughout these materials, Elliott has adjusted the Company's definition of non-fuel costs, EBITDA and EPS to be net of stock-based compensation expense to align with peer definitions.

(3) Reflects metrics for flagship contemporary brands.

# WHY ARE WE HERE?

We believe Norwegian represents **one of the most compelling turnaround opportunities in the public markets today**

## DEEP UNDERPERFORMANCE

- Norwegian's margins have deteriorated from best-in-class to **among the lowest in the industry** after a decade of **runaway cost increases, strategic errors and poor execution**
- Norwegian trades at **one of the lowest multiples in the S&P 500**, reflecting a **complete loss of investor confidence** in leadership following years of missteps and poor execution
- Norwegian's stock has **underperformed peers by 230%** over the last three years, amid poor financial performance<sup>(1)</sup>

## FAILED GOVERNANCE

- Norwegian's Board oversaw **more than 10 years of deep underperformance**
- The Board has **repeatedly failed** in its most important responsibility – **selecting a capable CEO** – while presiding over a **breakdown of corporate governance**
- On February 12, the Board abruptly named **a 10-year Norwegian director who lacks any executive experience in the cruise industry as CEO**. The rushed appointment of an insider without a comprehensive process has only further eroded investor confidence



- We have **strong conviction** in Norwegian's **assets, its talented front-line employees and its differentiated guest experience**
- We believe improving Norwegian's profitability – by capitalizing on the revenue and cost opportunities created by the last decade of underperformance – and partly closing its historically wide multiple discount will drive **significant value creation**

**With improved strategy, execution and credibility, we see a clear path for Norwegian's stock to reach \$56 per share, or 159% higher than current levels<sup>(2)</sup>**

# THE BOARD HAS FAILED SHAREHOLDERS

## REPEATED SELECTION OF THE WRONG CEO

- ↳ The Board fueled a decade of severe underperformance by **appointing the wrong executives to lead the Company**
- ↳ **Has repeatedly chosen insiders** over conducting a broad, comprehensive process to identify the best CEO

## OVERSAW SUSTAINED VALUE DESTRUCTION

- ↳ **Took no action for more than 10 years** as Norwegian's leadership pursued the wrong strategy, promoted a culture of wasteful spending, and failed to execute
- ↳ **Track record of sustained value destruction:** Norwegian's stock has underperformed peers by 230% over three years and the Company's valuation is now among the lowest in the S&P 500

## MISALIGNED INCENTIVES

- ↳ Rather than driving accountability, the Board **rewarded poor performance** with one of the most **misaligned** and **outsized compensation structures** of any company
- ↳ **Two of the worst say-on-pay results of all time** in 2021 and 2022

## RELATED-PARTY TRANSACTIONS

- ↳ Former CEO Frank Del Rio and his son, Frank Del Rio Jr. (who was also one of the Company's most senior executives), **personally invested \$6M in a property being developed by then-Chairman Russell Galbut**
- ↳ Norwegian subsequently signed a **\$300M+ deal<sup>(1)</sup> to lease Galbut two ships** to start a residential cruise line within months of his leaving the Board. After Galbut struggled to sell units on his new cruise line, **the Company allowed him to terminate the deal for a "nominal fee"**
- ↳ The Board agreed to pay Del Rio \$10 million for "consulting services" after he retired

## ENTRENCHMENT

- ↳ Among only 10% of S&P 500 companies that maintain a **classified board structure**, **denying shareholders the right to vote on directors annually**

# ELLIOTT SEES A CLEAR PATH TO IMPROVED PERFORMANCE

After more than a decade of financial underperformance and failed corporate governance, significant changes are necessary at Norwegian

## Comprehensive Board Change

**Norwegian requires comprehensive Board change** and new, truly independent directors with relevant industry and operational expertise, empowered to drive change and hold management accountable

## Management Review

The new Board must ensure that the Company has the right executive leadership team in place to restore credibility and execute a bold strategic plan

## A New Business Plan

Following Board and leadership changes, the Company should implement a new business plan that delivers industry-leading profitability and return on invested capital



**Absent significant progress toward these objectives in the coming weeks, Elliott intends to take the case for change directly to shareholders at the Company's upcoming annual meeting**

# NORWEGIAN HAS EVERYTHING IT NEEDS TO WIN

## BEST-IN-CLASS FLEET



Norwegian benefits from a modern, well-maintained fleet with the highest investment per berth, the most premium cabin mix and compelling onboard amenities



# NORWEGIAN HAS EVERYTHING IT NEEDS TO WIN ENGAGED EMPLOYEES



Industry research and onsite due diligence informed our view that Norwegian's frontline employees are exceptional hospitality professionals



# NORWEGIAN HAS EVERYTHING IT NEEDS TO WIN FANTASTIC VALUE PROPOSITION



Norwegian's guests can experience a wide variety of activities, far beyond what is typically available on a land-based vacation: exciting water parks, spectacular pools, highly rated dining, Broadway-level entertainment, luxury shopping, children's activities, dance parties, live music and a collective sense of community

# NORWEGIAN BENEFITS FROM POWERFUL SECULAR TAILWINDS

Norwegian is favorably positioned within the cruise sector and benefits from long-term secular tailwinds, including continued market share gains from land-based vacations

## Consumers Prioritizing Experiences

- ✓ Consumers increasingly prioritize spending **on experiences over material goods**
- ✓ Travel is one of the **highest priorities for consumer spending**
- ✓ Secular shift is **strongest with younger consumer cohorts**, driving a long-term tailwind

## Cruise Industry Taking Vacation Share

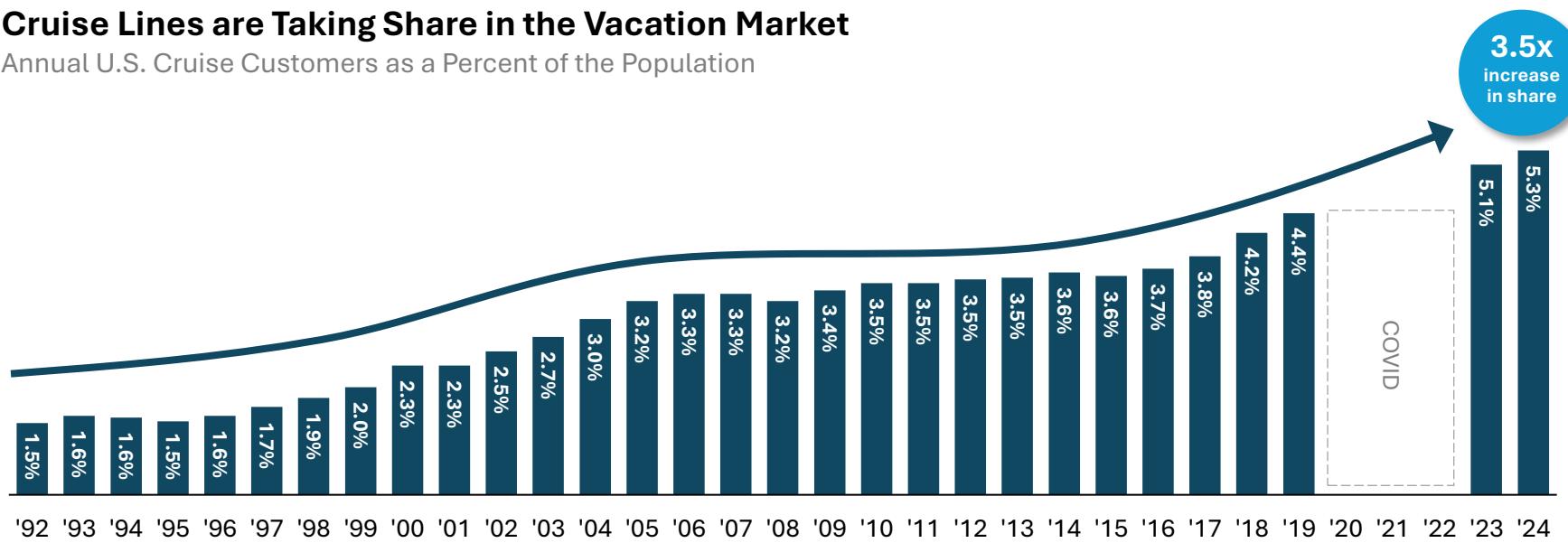
- ✓ Cruises have **steadily taken share** in the vacation market
- ✓ Growth driven by a **strong customer value proposition** and **structurally advantaged cost profile**
- ✓ Industry **growth has been resilient** through market cycles
- ✓ Private destinations are further increasing customer appeal and share of wallet

## Norwegian's Favorable Competitive Dynamics

- ✓ **Gaining share within the cruise industry** over the medium term as Carnival Corp. (36% of global market) limits capacity growth
- ✓ **Flexible brand sourcing** with exposure to the attractive, higher-growth U.S. consumer
- ✓ **Strong contemporary and luxury brands** with loyal customer followings
- ✓ **Highest quality fleet** among its peers

## Cruise Lines are Taking Share in the Vacation Market

Annual U.S. Cruise Customers as a Percent of the Population

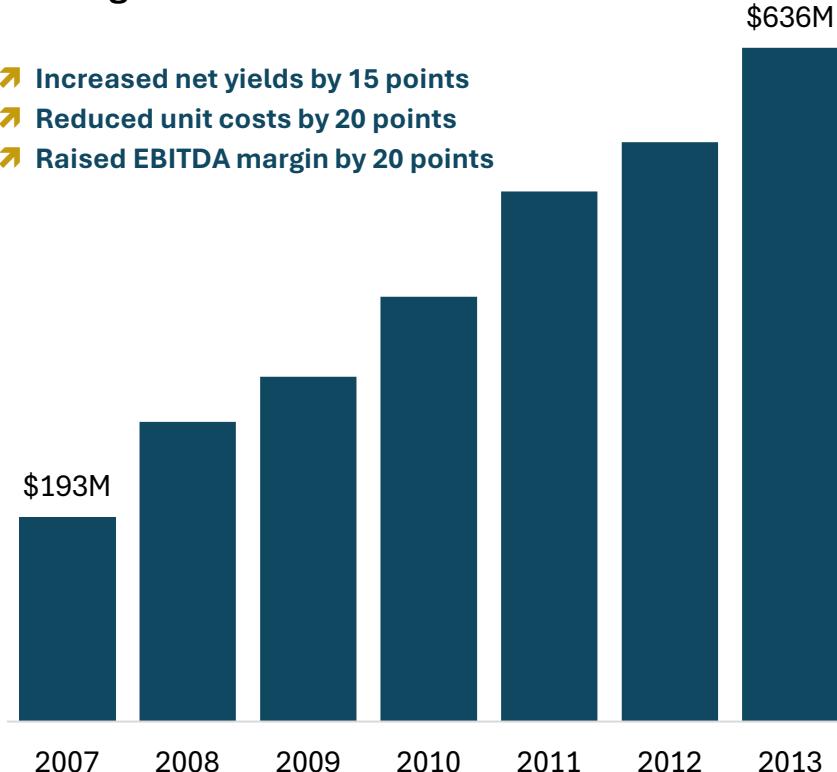


# NORWEGIAN ONCE HAD INDUSTRY-LEADING PERFORMANCE

Following a highly successful turnaround led by former CEO Kevin Sheehan, Norwegian was a high-performing cruise line at the time of its IPO in 2013

## Norwegian EBITDA

- ↗ Increased net yields by 15 points
- ↗ Reduced unit costs by 20 points
- ↗ Raised EBITDA margin by 20 points



## Norwegian at Time of 2013 IPO

ROIC	✓ Best-in-Class
Net Yield	✓ Best-in-Class
Unit Cost	✓ Best-in-Class
Margins	✓ Best-in-Class
Valuation	✓ Highest vs. Peers
History of Customer Innovations	✓ Pioneered freestyle cruising
	✓ Launched highly successful new ships
	✓ Improved onboard entertainment & amenities
	✓ Introduced new concepts like "The Haven," an upscale offering with distinct amenities

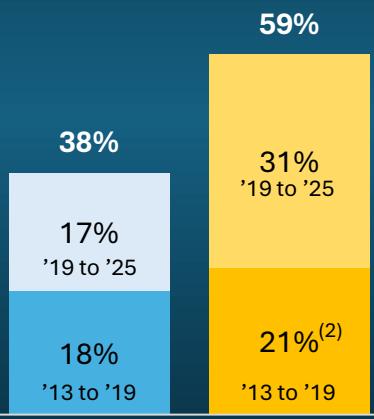
Norwegian is fully capable of best-in-class performance

# A DECADE OF UNDERPERFORMANCE...

Under the stewardship of the Board, Norwegian has underperformed peers across all aspects of its business over the past decade

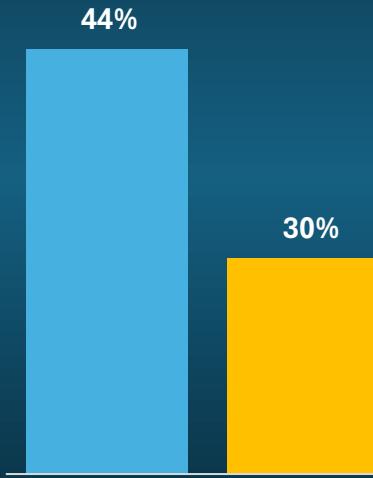
## Unit Revenue

21% Net Yield Underperformance Since 2013 (vs. In-line 2013 to 2019)



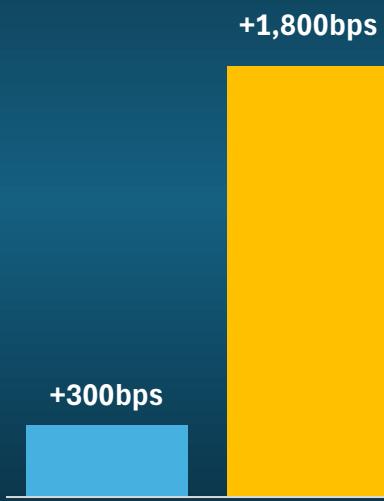
## Unit Costs

14% Net Cruise Cost Ex Fuel Underperformance Since 2013



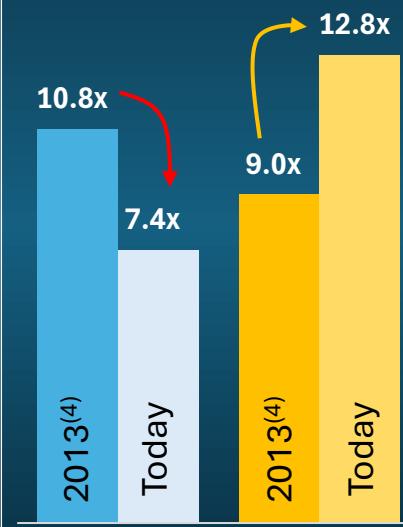
## Profitability

15pts of EBITDA Margin Underperformance Since 2013



## Valuation

From a TEV / EBITDA Premium to a Deep Discount<sup>(4)</sup>



“Over the last year, I've spent a little time thinking about **what the underlying philosophy of this company had been for the last decade [from 2014-2024]. Fundamentally, this had been a founder-led company.**”

# ...DESPITE INDUSTRY TAILWINDS

On January 18, 2013, the day of Norwegian's IPO, its stock closed at \$25. That same day, Royal Caribbean's stock price was \$37

 \$24.79

 \$36.90

**Today, Norwegian's stock price is \$21, Royal Caribbean's is \$320**

 \$21.49

 \$319.61

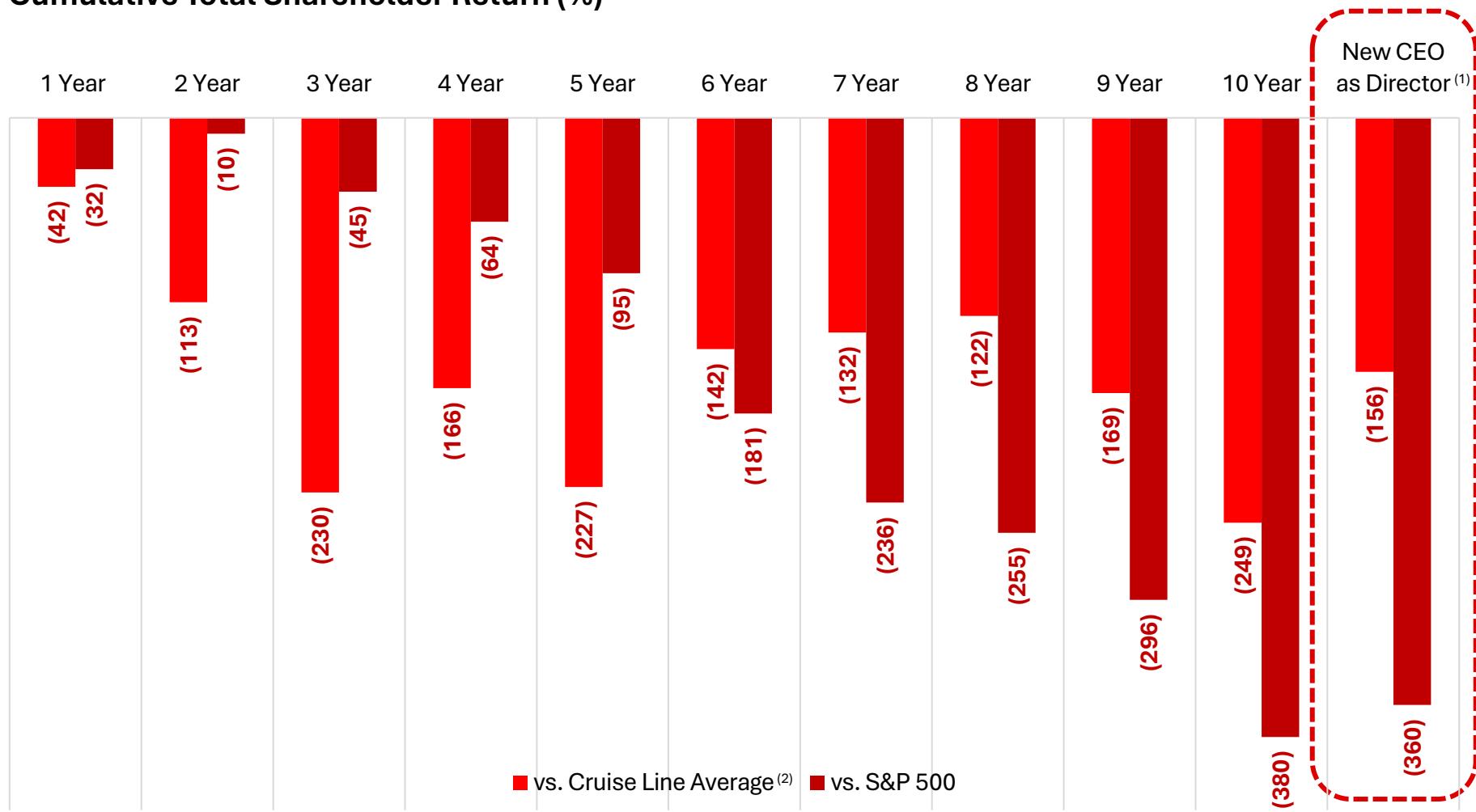
Since Norwegian became a public company, its shareholder return has underperformed Royal Caribbean by nearly 950%. In fact, **Norwegian has underperformed Royal Caribbean every year for 10 straight years**

Today, Norwegian shares trade below their IPO day closing price, reflecting **destruction of value over the last 13 years** despite tremendous industry growth and supportive tailwinds

# NORWEGIAN'S ABYSMAL TOTAL RETURN PROFILE

Norwegian has deeply underperformed cruise industry peers and the broader market over all relevant time periods

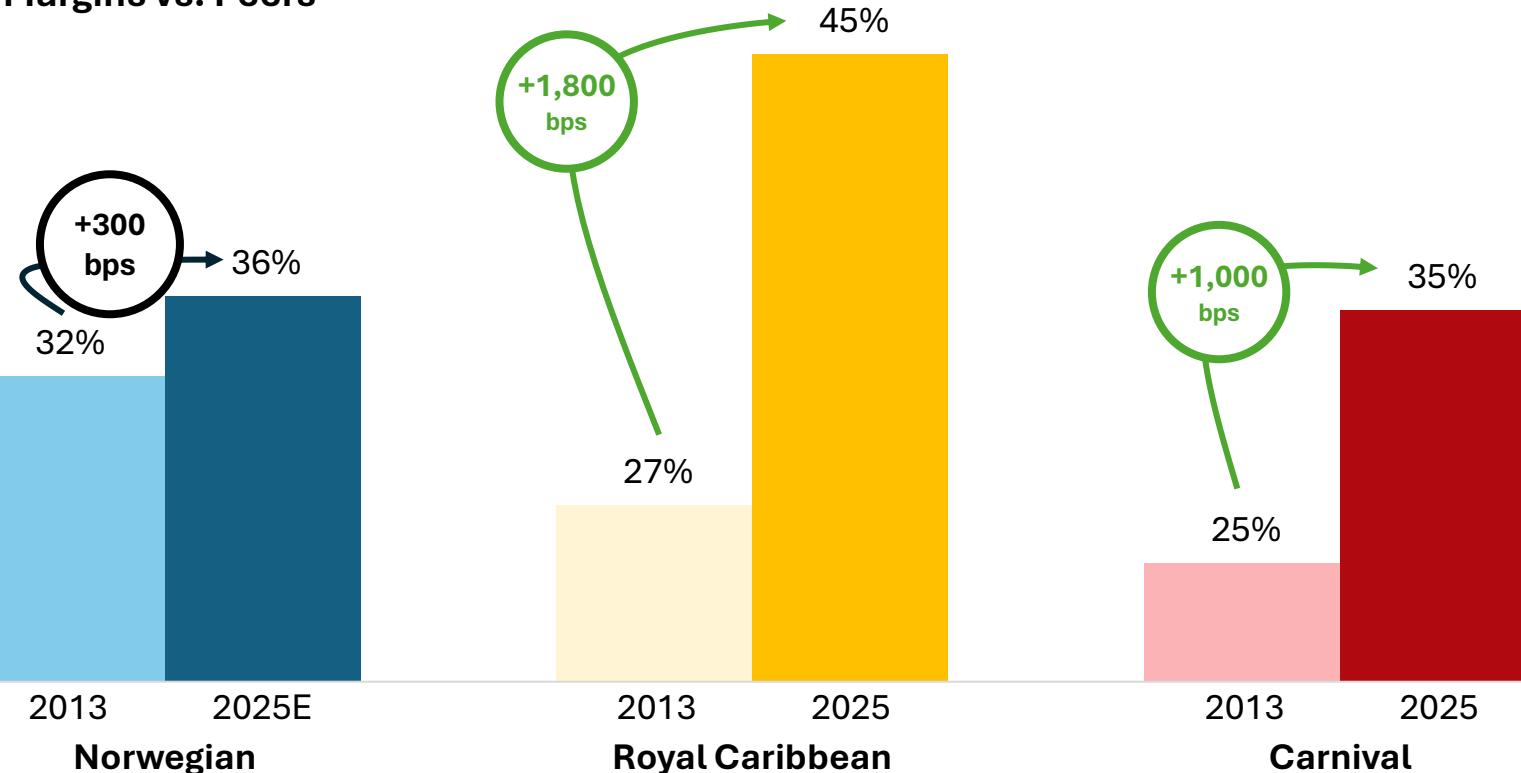
## Cumulative Total Shareholder Return (%)



# NORWEGIAN HAS UNDERPERFORMED ON MARGINS

Norwegian's margins, once better than peers', have since been overtaken by Royal Caribbean's and now sit near the bottom of the industry

## EBITDA Margins vs. Peers<sup>(1)(2)</sup>



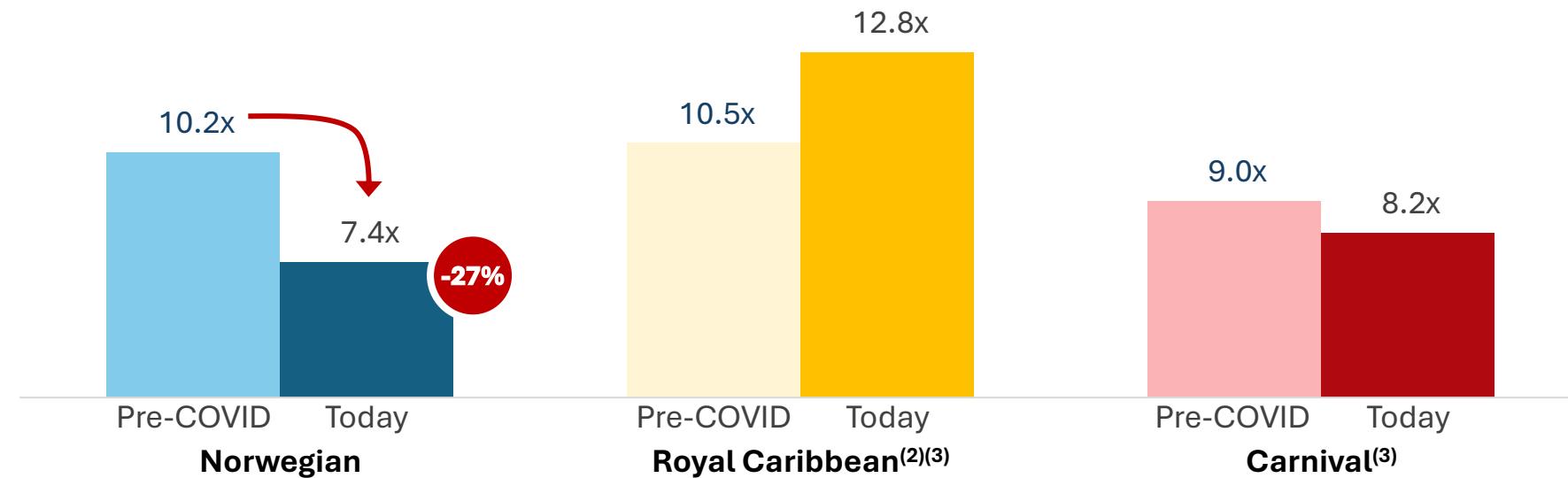
**Unlike Norwegian, peers have expanded their margins and demonstrated significant operating leverage**

# NORWEGIAN'S VALUATION REFLECTS CONSIDERABLE INVESTOR SKEPTICISM

Norwegian currently trades at the lowest multiple among its peers and within the bottom decile of its history as a public company, reflecting investor skepticism about the Company's ability to deliver acceptable results

## Valuation Multiple vs. Pre-COVID Average<sup>(1)</sup>

TEV/FY+1 EBITDA



“While we can see the argument for a purely valuation-based bull case on NCLH at these levels, we also know that valuation is proving to matter very little... [when] **long-only support isn't changing** (in this case, not stepping in to buy on weakness).”

Deutsche Bank, November 2025

# TODAY, NORWEGIAN IS ONE OF THE LOWEST-VALUED COMPANIES IN THE S&P 500

Norwegian's 8x P/E ratio underscores a profound lack of confidence in current leadership and is one of the lowest in the S&P 500

## S&P 500 Valuation

2027E P/E for S&P 500 Constituents<sup>(1)</sup>



# HOW NORWEGIAN BECAME ONE OF THE LOWEST- VALUED BUSINESSES IN THE S&P 500

**8x P/E**

Complete breakdown of corporate governance  
processes and accountability

**FAILED CORPORATE  
GOVERNANCE**

Worst cost profile in the industry

**WASTEFUL CULTURE**

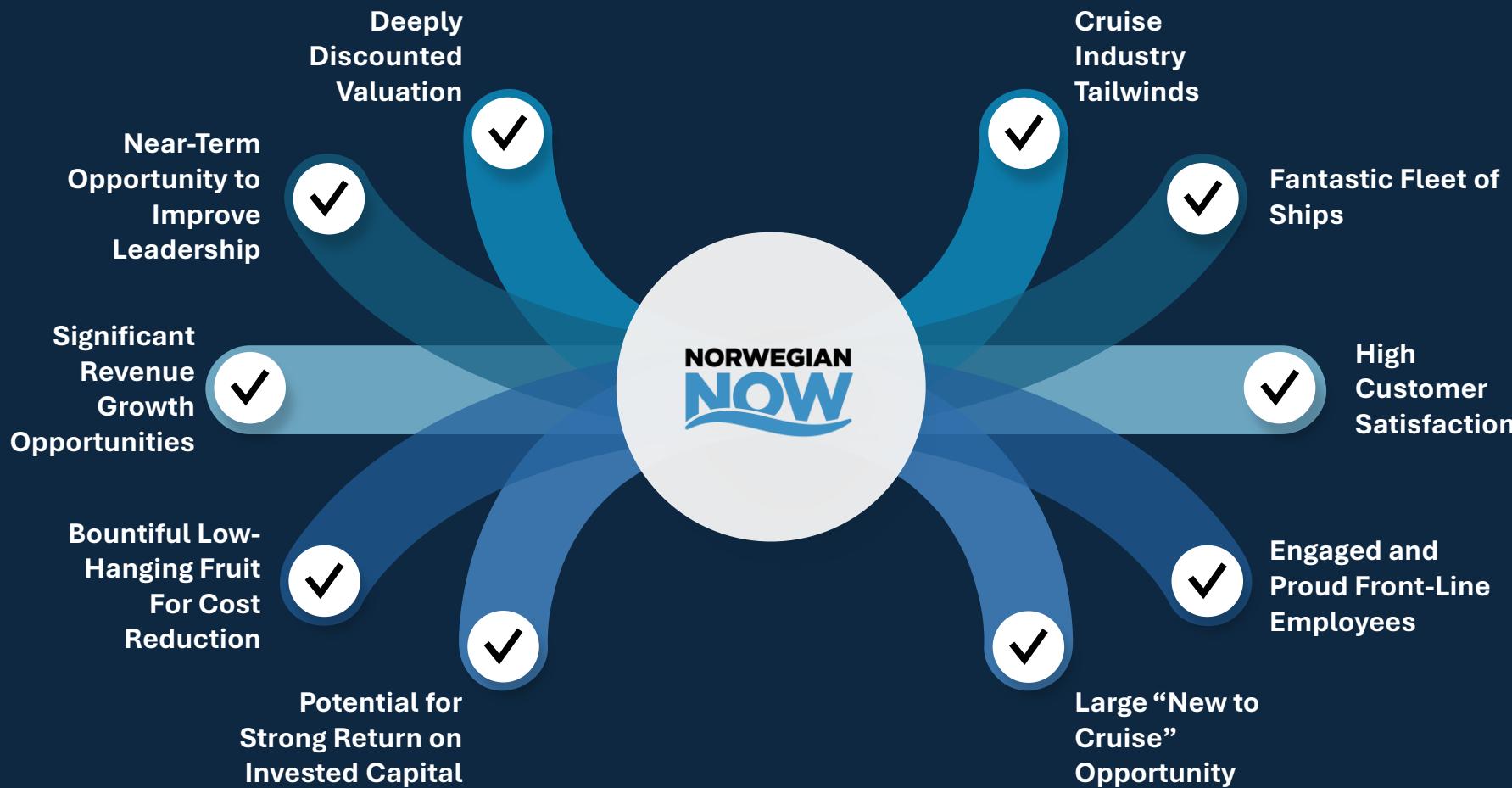
Misguided strategy that ran counter to every key industry  
trend, compounded by consistent execution missteps

**STRATEGIC ERRORS &  
POOR EXECUTION**

**Fortunately, these issues are readily addressable**

# HIGHLY COMPELLING TURNAROUND OPPORTUNITY

We believe Norwegian represents one of the most compelling turnaround opportunities in the public markets today, driven by a rare combination of strong fundamental attributes and untapped opportunity



We believe improved strategy, execution and credibility can drive a 159% increase in Norwegian's share price<sup>(1)</sup>



## Executive Summary

Summary of Elliott's Views on Norwegian

### Wasteful Culture

A Decade of Cost Underperformance

### Strategic Errors and Poor Execution

Strategic Missteps and Poor Execution in All Key Areas

### Failed Corporate Governance

Complete Breakdown of Corporate Governance and Management Oversight

### Norwegian Now

A Clear Path to Improve Performance, Restore Credibility and Deliver on Norwegian's Potential

# NORWEGIAN'S DEEP COST UNDERPERFORMANCE

Norwegian's Board oversaw a culture of wasteful spending for more than a decade, driving significant cost underperformance across every relevant metric. The Company's current cost plan **fails to make any appreciable progress** toward addressing this underperformance

## ⚡ UNIT COST FAILURE

- Worst-in-class unit cost performance since 2013
- Highest absolute unit costs versus peers, particularly on SG&A<sup>(1)</sup>
- Current cost saving plan fails to address deep historical underperformance

## ⚡ RUNAWAY SG&A GROWTH

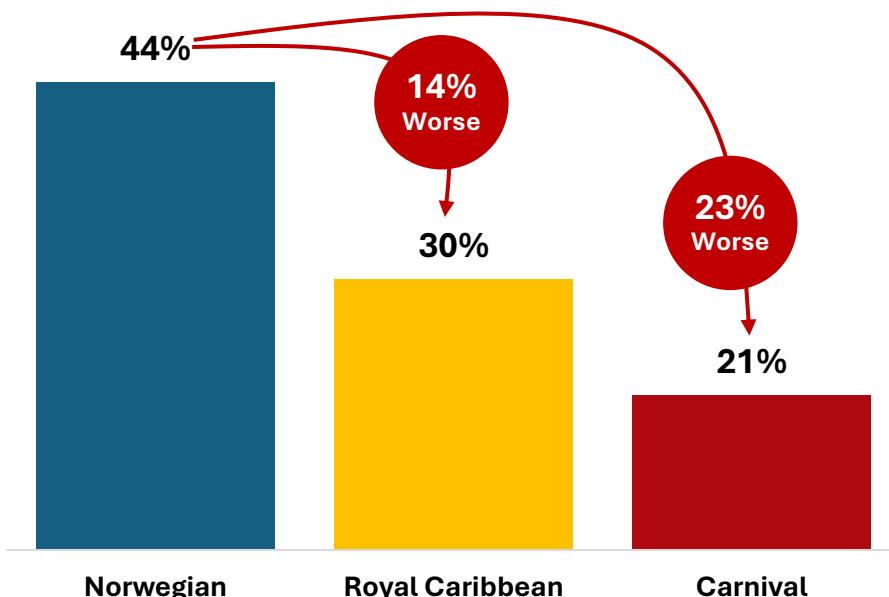
- SG&A growth materially outpacing peers
- Clear evidence of wasteful, free-spending culture

## ⚡ CHRONIC LACK OF COST DISCIPLINE

- Increased or missed annual cost guidance for 15 of 20 quarters from 2015 to 2019
- Costs have exceeded management's own long-term targets by a wide margin

## Change in Unit Costs (2013 to 2025E)

Net Cruise Costs Excluding Fuel per Capacity Day ("NCCx")



NCLH's **industry-worst cost inflation** is more than offsetting its industry-best pricing power...

Citi, March 2023

Pre-Covid, NCLH experienced the **fastest expense growth relative to peers**.

BNP Paribas, March 2025

# WASTEFUL CULTURE: PRIMA LAUNCH

After delivering a 3-year TSR of -73%, producing billions of dollars of negative free cash flow and diluting shareholders by half, Norwegian hosted an extravagant launch event billed as “**the biggest event in Iceland’s history**.”

## Description From Event Planner

*“Designed as a ship to elevate every expectation, Prima was a guiding light when it came to development and execution. As a result, the theme (“Be the Firsts”) was born for the first in a series of ships under this name, the first ship christening in the history of Iceland, and **the biggest event in Iceland’s history**...*

*The events for [attendees] included performances by, **Icelandic Symphony Orchestra** ... and **the iconic pop sensation, Katy Perry** - who also served as the ceremonial Godmother for the ship...”*



## Event Outcomes (Per Event Planner)

- ✓ **Largest event in Norwegian’s history**
- ✓ **Flew 2,600+ guests into Reykjavik, “which the city was not set up for”**
- ✓ **Largest local labor call in Reykjavik history**
- ✓ **Forty-five AV setups in twelve different venues**

# WASTEFUL CULTURE: ART CURATION

Executives' misplaced focus on fine art curation led to tens of millions of dollars in wasteful spending and diverted attention from operations and strategy during a period of deteriorating performance



## Art Basel Exhibition Promoting Shipboard Art

### NORWEGIAN CRUISE LINE UNVEILS DYNAMIC 52-FOOT-WIDE WORK OF ART FOR UPCOMING SHIP, NORWEGIAN VIVA

Cruise Line Hosts Immersive Art Experience at SCOPE Miami Beach During Miami Art Week



"Art can be a **transformative element** in the guest experience ... we are extremely excited for our guests to get to know Norwegian Viva as well as the **breathtaking work** of Dominic Harris."

Former CEO Sommer, December 2022

"[Regent] today unveils details of its latest multi-million-dollar art collection [on Grandeur]... the 1,600-piece art collection includes multiple Picassos... and the **first Fabergé Egg to reside permanently at sea.**"

Norwegian, October 2023

"Over time [since 2014] the artwork has evolved from being more decorative on some of the older ships to being more of a **thoughtfully curated collection**..."

Norwegian, August 2022

"...[Norwegian] Prima is installing a \$2 million sculpture garden featuring six pieces of abstract art, including a puppy designed through a cubism lens... **The ship will display 700 pieces of art, most of it commissioned originals.** The **\$6 million spend on art** is higher than on any other NCL ship..."

Travel Weekly, March 2022

"[Del Rio devoted] weekends to art buying while the ship was being built... Despite what he says was a lot of stress as he and cohort executive Bob Binder hit auction houses, Del Rio says he is proud of the 'passion and emotion' he was able to display in the collection. **In fact, Del Rio is planning to curate four upcoming ships... He even took a group of architects on a road trip to Paris to show them a hotel bathroom he liked.**"

Porthole Cruise and Travel, August 2015

## THE CURRENT BOARD OVERSAW THIS CULTURE

**The instructions I gave them were 'Money is no object. Bring me your best idea and let me decide what I can afford'... This ship is a trophy.**

Former CEO Del Rio, January 2017

**We will spend whatever we have to spend** to fill the vessel without discounting.

Former CEO Del Rio, November 2021

**So getting back on TV... I was actually wondering, as the CFO, how we afforded [an ad right before the Oscars], but I was thrilled to see it just the same.**

Former CFO Beck, February 2015

**Norwegian's signature French eatery [on the Prima class]... [is] built around three massive crystal chandeliers costing nearly \$100,000... Gold-leaf wallpaper lines its booth seating.**

*The Points Guy*, May 2025

**I struggle to give you a percent ROI, if you will... those returns come through in the top line but difficult to measure just from the specific initiatives that we're doing.**

CFO Kempa and Former CEO Del Rio, November 2019

**But, really, this is the most expensive ship ever built on a per-bed basis. I can't think of a place where we said, yeah, let's do it this way because it's cheaper.**

Former CEO Del Rio, February 2020

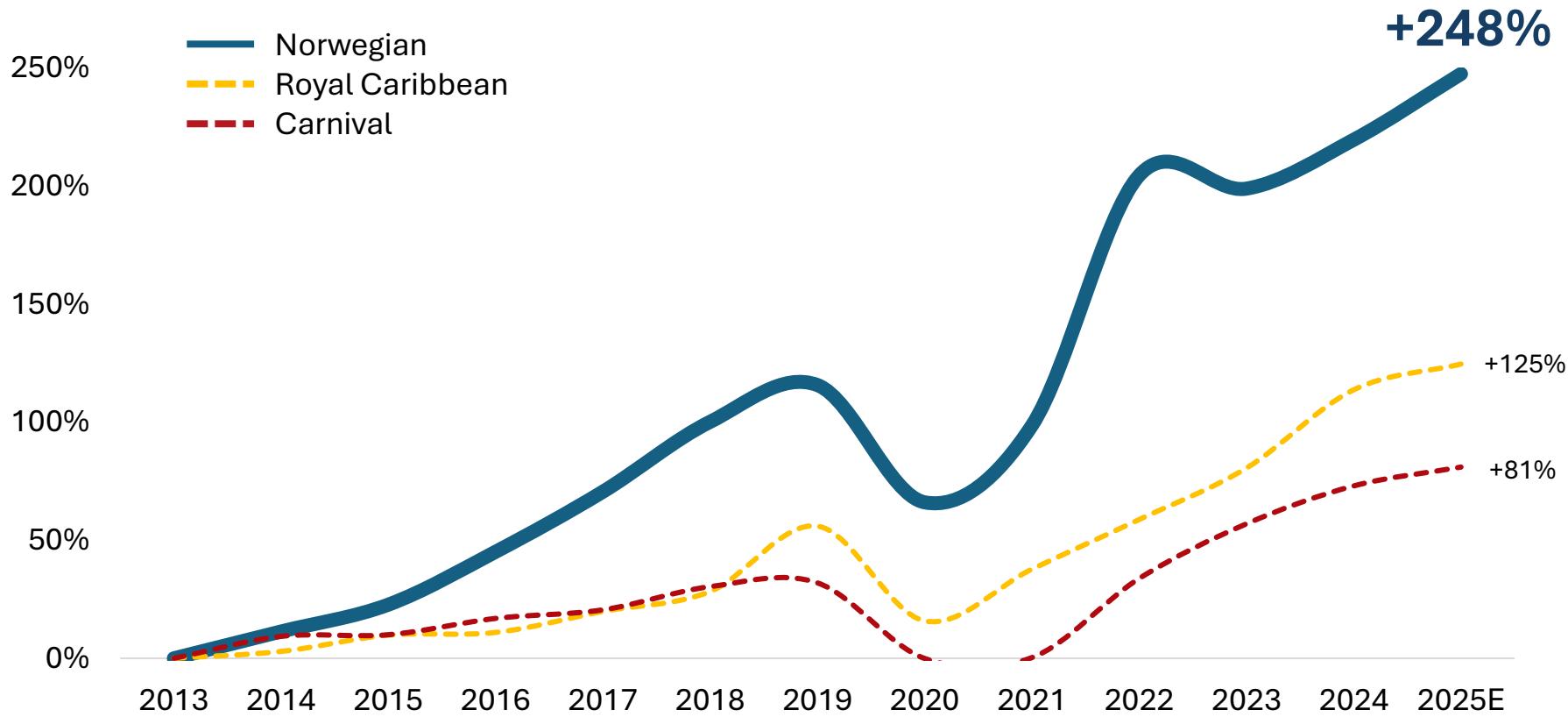
**No company has ever made their mark by saving and saving and saving.**

Former CEO Del Rio, November 2022

## RUNAWAY SG&A GROWTH

Since 2013, Norwegian's SG&A expense has increased by nearly 250%, far outpacing peers with no clear justification

### Indexed SG&A Expense<sup>(1)</sup>



Norwegian's SG&A has grown 2x – 3x faster than those of its closest peers

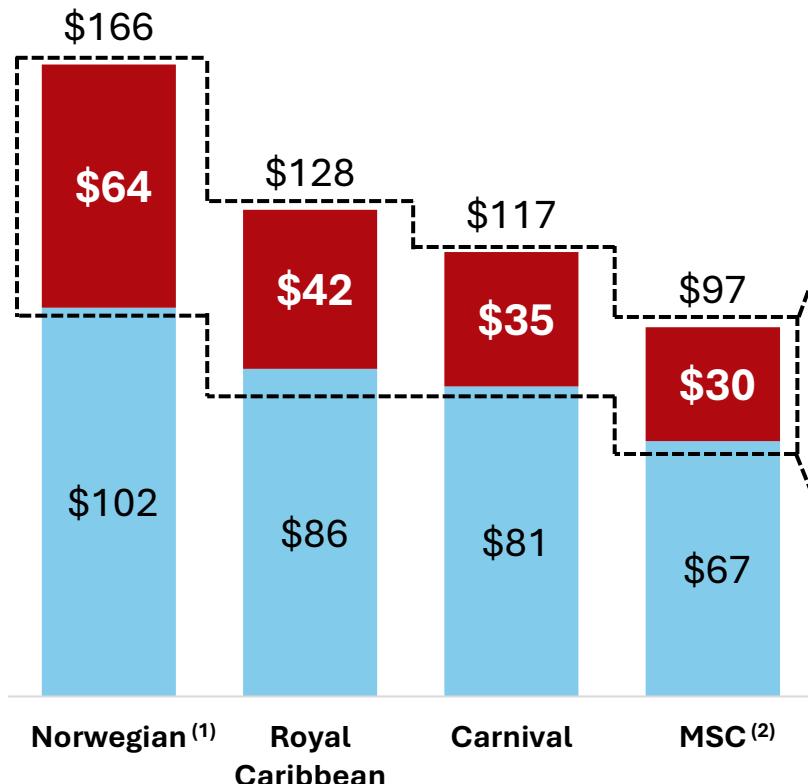
# COST STRUCTURE IS MISALIGNED WITH PEERS

Norwegian's unit costs are significantly higher than peers, with unit SG&A nearly double the peer average

## 2025E Non-Fuel Unit Cost

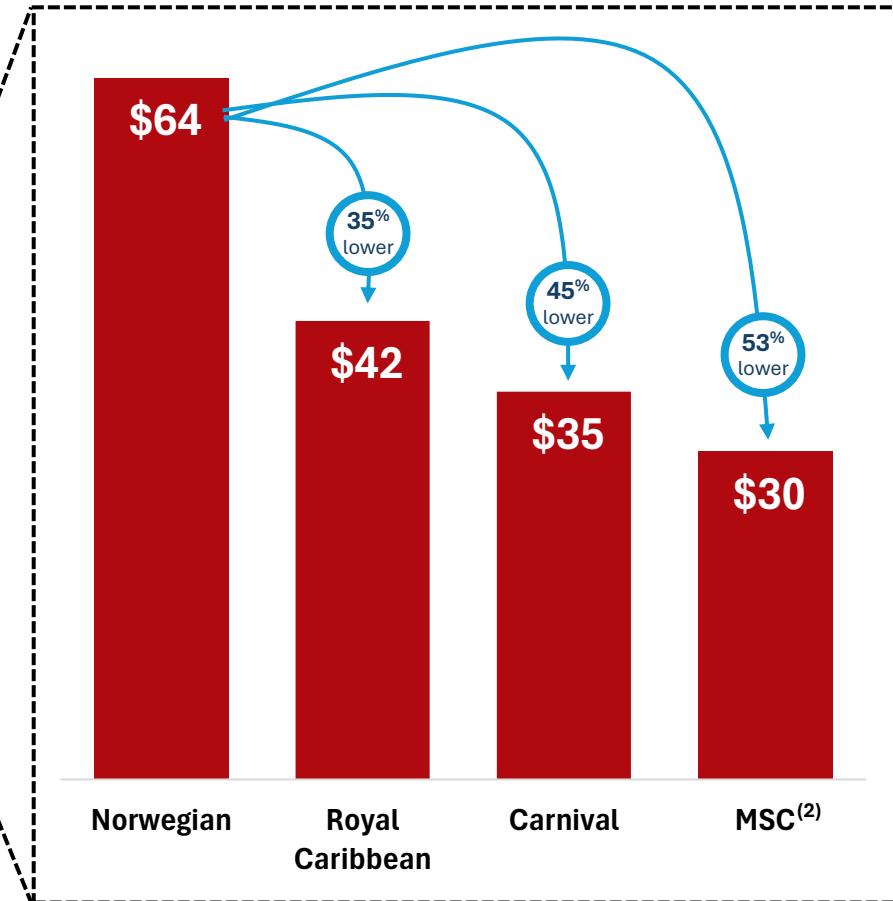
Net Cruise Costs Excluding Fuel per Capacity Day

■ Onboard ■ SG&A



## Unit SG&A

2025E SG&A per Capacity Day Unless Otherwise Noted



Aligning unit SG&A with peer benchmarks implies an approximately \$550M - \$825M cost saving opportunity

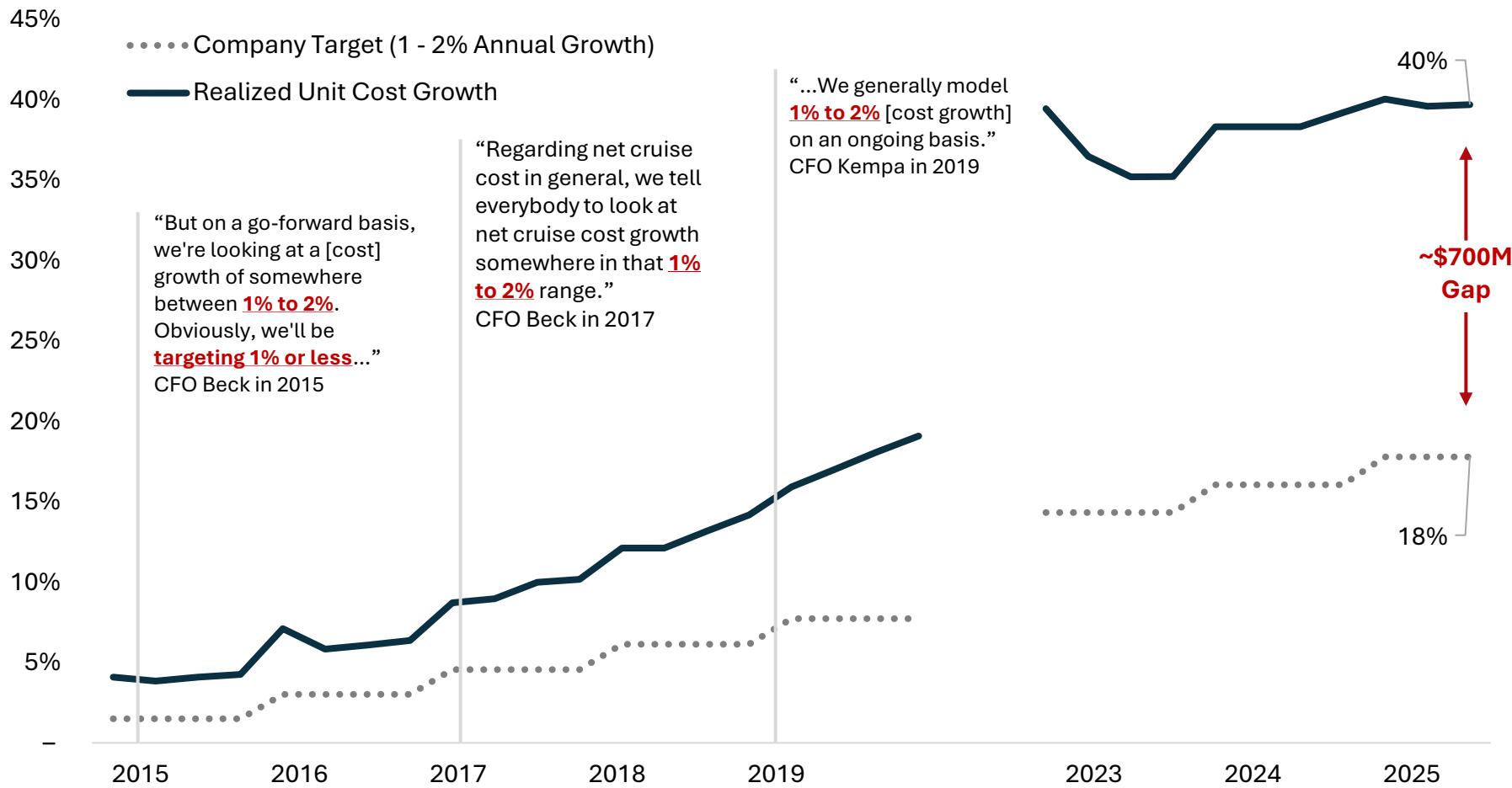
Source: Company filings, Bloomberg as of 2/13/2026. (1) We believe Norwegian reports net cruise costs gross of gratuities in onboard, while peers report onboard costs net of gratuities. While Norwegian does not disclose gratuities, the magnitude of gratuities cannot be the driver of a cost gap of ~\$40 or more relative to peers that is primarily concentrated in SG&A. (2) Estimated based off 2019 unit costs, grossed up for observed Royal Caribbean and Carnival unit cost growth since 2019.

# COSTS HAVE SIGNIFICANTLY EXCEEDED MANAGEMENT'S TARGETS

Management repeatedly targeted 1% to 2% annual unit cost growth but consistently missed, resulting in approximately \$700 million in cumulative excess costs relative to their target from 2015 to 2025

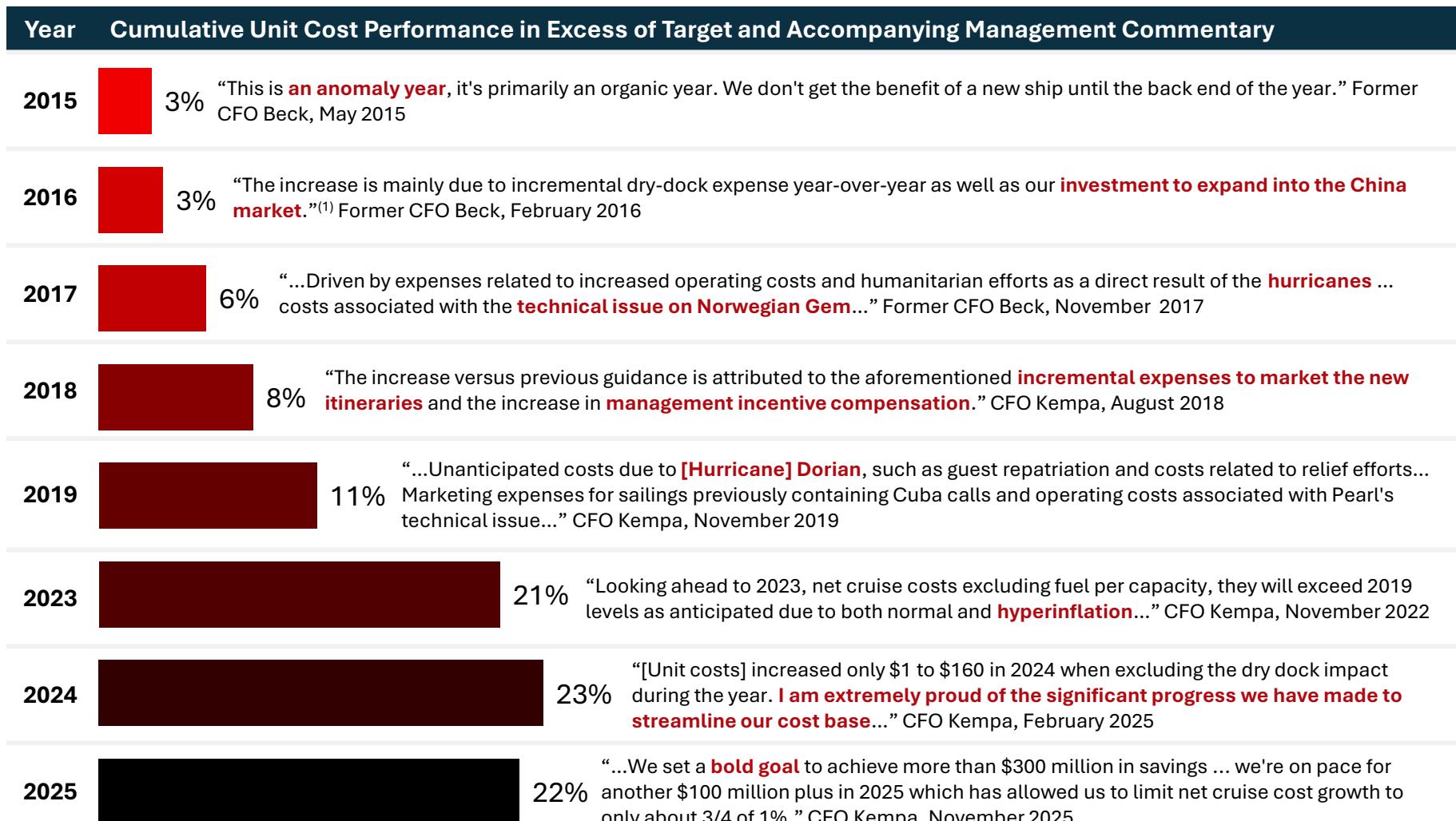
## Cumulative Unit Cost Performance vs. Company Target (1-2%)

Annual Net Cruise Costs Excluding Fuel per Capacity Day vs. 2014



# NO REASONABLE EXPLANATION FOR COST UNDERPERFORMANCE

Year after year, management has found new excuses for missing cost targets, which have accumulated over time despite often being driven by one-time items. Their latest efforts merely bring cost increases in line with peers and historical targets, making no real progress toward closing the gap



## NORWEGIAN SHOULD HAVE OUTPERFORMED PEERS ON UNIT COSTS

Norwegian benefited from Company-specific tailwinds that should have supported superior unit cost performance; instead, the Company significantly underperformed peers

### ✓ **Outsized Capacity Growth, Which Should Have Driven Operating Leverage**

Benefited from **outsized capacity growth** relative to peers (*+38% and +65% higher than Royal Caribbean and Carnival, respectively, from 2013 to 2025*)

### ✓ **Reduction in Luxury Mix<sup>(1)</sup>**

Benefited from **reduction in higher-cost luxury mix** relative to peers (*3% decline versus flat at Carnival and +2% at Royal Caribbean from 2013 to 2024*)

### ✓ **Idiosyncratic Merger Synergies**

Generated **idiosyncratic merger synergies** from the Prestige merger (*equivalent to 3% of non-fuel costs*)

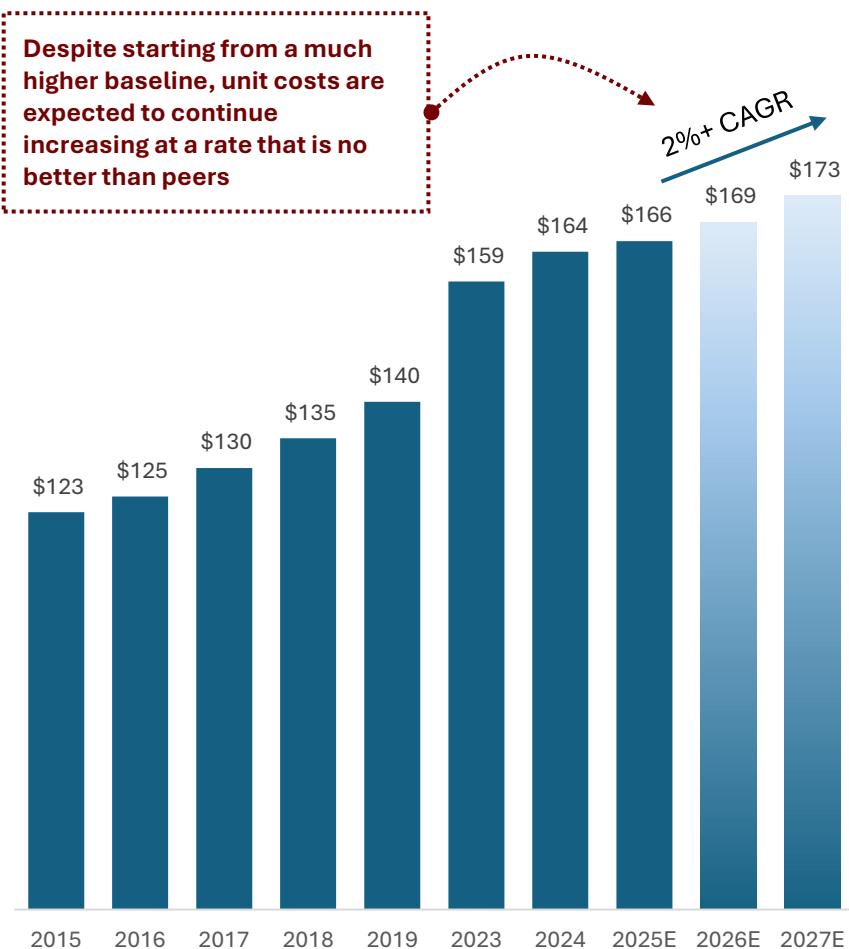
**No external factors explain this cost underperformance – Norwegian is an outlier among peers**

# COST PLAN IS INSUFFICIENT TO ADDRESS HISTORICAL UNDERPERFORMANCE

Recent cost-saving measures have made **effectively no progress** toward addressing Norwegian's historical cost underperformance and are insufficient given the scale of Norwegian's cost underperformance to-date

## Non-Fuel Unit Cost Over Time

Net Cruise Costs Excluding Fuel per Capacity Day



**“Some investors have asked if NCLH’s \$300M in cost saves is gross or net – in other words will the cost savings mean that expenses are down by that much, or will it mean that expenses are up, but they would have been up more if it weren’t for those cost saves? The answer is the latter.”**

UBS, October 2024

**“... Modestly higher cost guide were enough to unnerve investors who have concerns about industry-wide pricing power as well as NCLH-specific concerns regarding the staying power of its cost-control efforts.”**

Citi, November 2025

**“Higher costs create an opportunity to improve efficiencies by a larger margin relative to peers.”**

Goldman Sachs, April 2025



## Executive Summary

Summary of Elliott's Views on Norwegian

## Wasteful Culture

A Decade of Cost Underperformance

## Strategic Errors and Poor Execution

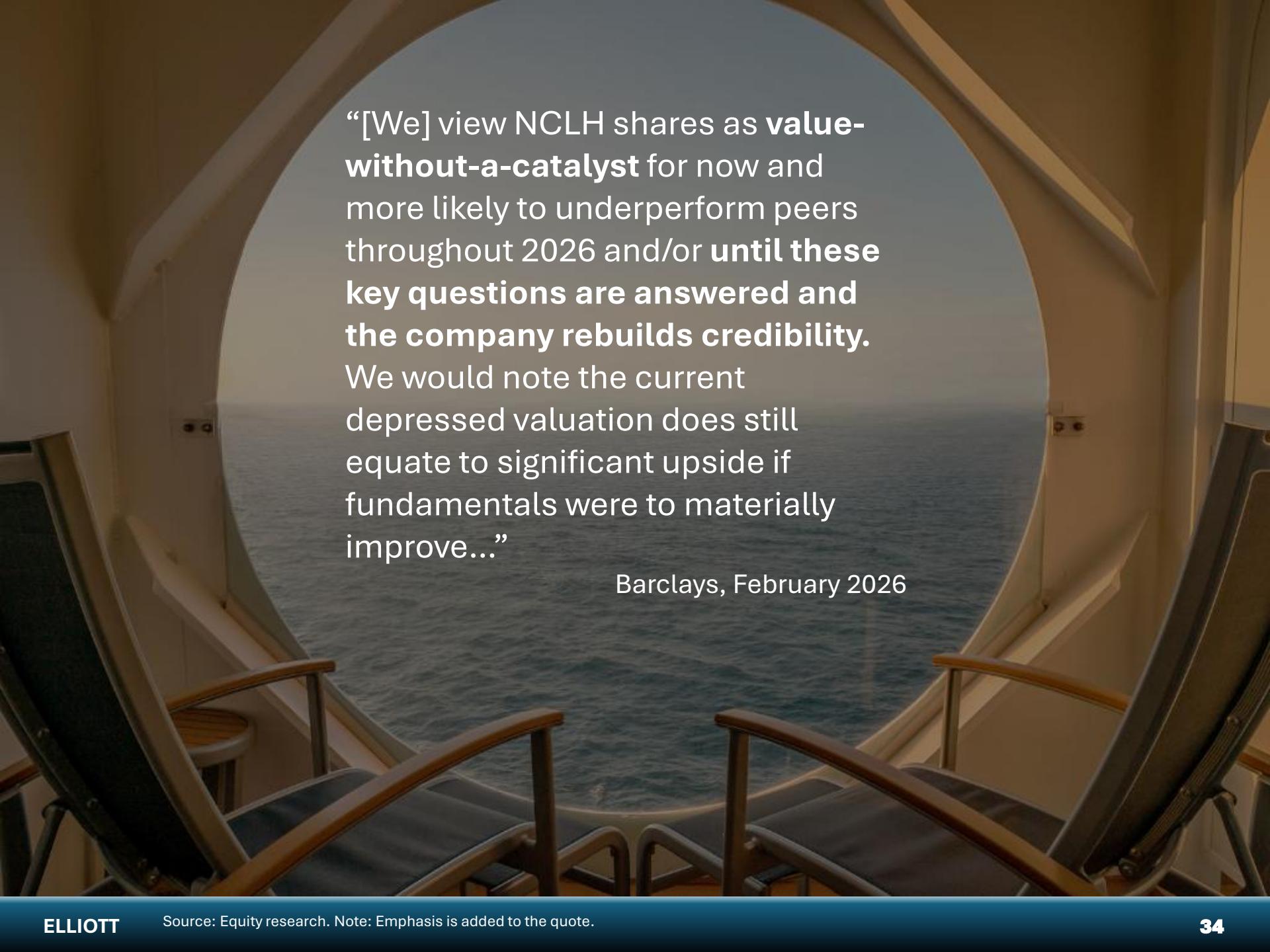
Strategic Missteps and Poor Execution in All Key Areas

## Failed Corporate Governance

Complete Breakdown of Corporate Governance and Management Oversight

## Norwegian Now

A Clear Path to Improve Performance, Restore Credibility and Deliver on Norwegian's Potential



“[We] view NCLH shares as **value-without-a-catalyst** for now and more likely to underperform peers throughout 2026 and/or **until these key questions are answered and the company rebuilds credibility.** We would note the current depressed valuation does still equate to significant upside if fundamentals were to materially improve...”

Barclays, February 2026

# STRATEGIC ERRORS: NORWEGIAN MISSED EVERY KEY INDUSTRY TREND

Norwegian has consistently failed to capitalize on the key industry trends that have driven strong results at its peers

## KEY STRATEGIC ERRORS...

### NEGLECTING PRIVATE ISLAND

*In 2019, management dismissed Royal Caribbean's Coco Cay as “good for the industry” but said Norwegian is “into delivering upscale experiences”*

### MOVING SHIPS OUT OF CARIBBEAN

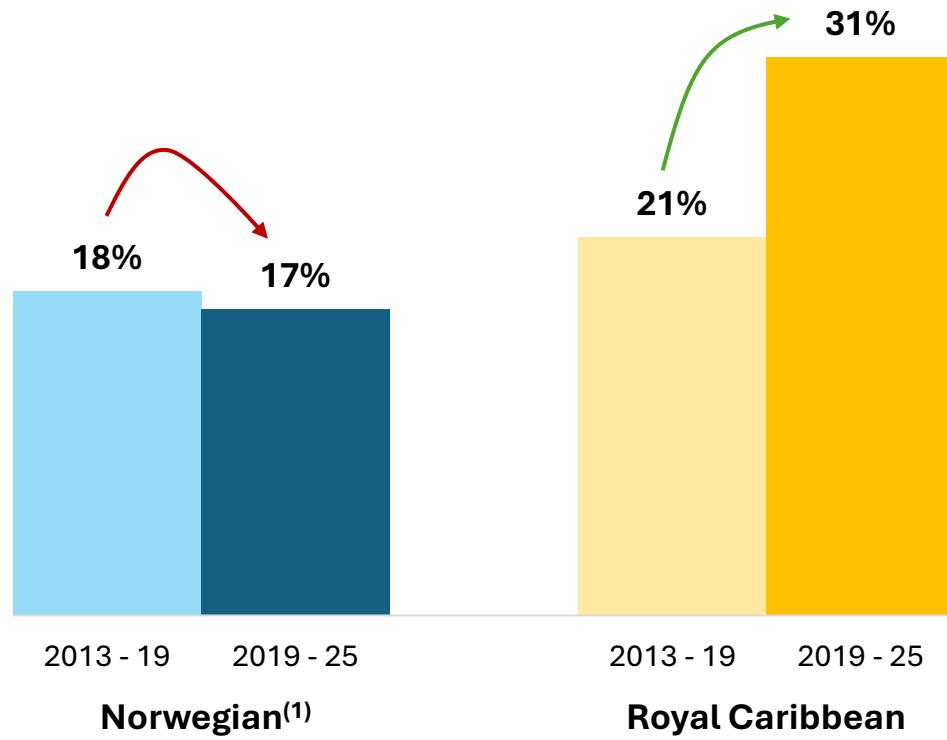
*In 2022, management shifted to “premium itineraries” in Europe and Alaska, away from “low-price” Caribbean to “drive pricing” because “the number-one driver of yields... [is] itinerary”*

### SMALLER CLASS OF NEWBUILD SHIPS

*While acknowledging “our competition keeps going bigger”, management “wanted to create something really upscale” that they characterized as a “premium, elegant footprint”*

## ...THAT CAME AT A PROFOUND COST

### Change in Net Yield

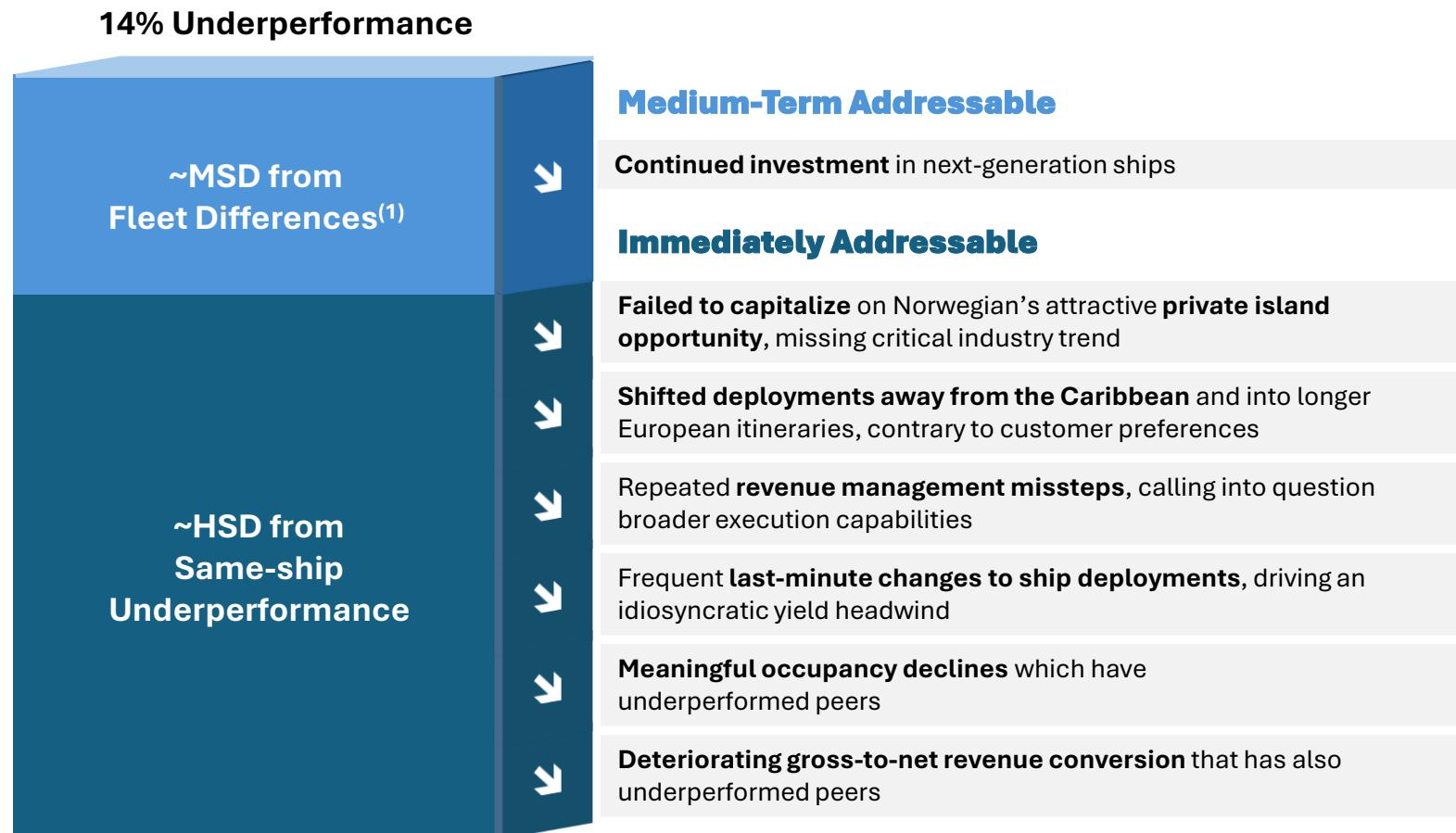


# STRATEGIC ERRORS AND POOR EXECUTION ARE DRIVING UNDERPERFORMANCE

We believe the vast majority of Norwegian's revenue underperformance is attributable to same-ship underperformance that is readily addressable in the near-term with improved leadership

## Deconstructing Norwegian's Revenue Underperformance

Change in Net Yield vs. Royal Caribbean (2019 to 2025E)



# STRATEGIC ERRORS: FAILURE TO CAPITALIZE ON PRIVATE ISLAND

Despite being the first cruise line to acquire a private island, Norwegian neglected this valuable opportunity, which has been a key driver of Royal Caribbean's success in recent years

	Acquisition Year	Size	Location	Pier	Development
<b>NORWEGIAN</b> <i>Great Stirrup Cay</i>	1977	268 Acres	Berry Islands	Q4 2025	Largely undeveloped; new features opening in mid-2026
<b>ROYAL</b> <b>CARIBBEAN</b> <i>Coco Cay</i>	1988	125 Acres	Berry Islands	2019	Already highly developed
Comparison vs. Royal Caribbean	EARLIER	>2X	SAME	6 YEARS BEHIND	<b>SUBSTANTIALLY BEHIND</b>

**"We're into delivering upscale experiences for our guests. [Silver Cove] takes the private island experience to the next level."**

Former Norwegian CEO Harry Sommer, 2019

**"[Coco Cay] is driving a lot of the demand ... it really is delivering an exceptional customer experience and people value that immensely."**

Royal Caribbean CFO, May 2023

**"We suspect previous management at NCLH didn't really believe in the private island concept which put [Great Stirrup Cay] well behind other cruise operators' private destinations."**

Stifel, July 2025

# THE HIGH COST OF STRATEGIC ERRORS

“Our estimates suggest that Royal Caribbean’s Coco Cay made more than five times as much revenue as the private destinations of Carnival and Norwegian in 2024, while we believe the yield contribution was over seven times higher.”

Rothschild Redburn, August 2025

“Royal Caribbean has grown its net onboard yield by 36% since 2019 (6% CAGR). This is 10 points higher than comparable growth for Norwegian ... We think private islands are a large reason for the outperformance.”

BNP Paribas, March 2025

“We believe NCLH’s lack of an enhanced private island is one of the reasons for its sizable valuation discount to peers and share underperformance.”

Truist, September 2025



Source: Equity research, Bloomberg as of 2/13/2026. (1) Reflects Q3 2025 balance sheet figures after 9/30/2025 to normalize for balance sheet seasonality prior to Norwegian’s Q4 2025 earnings report.

# POORLY EXECUTED PIVOT HAS ONLY DRIVEN FURTHER UNDERPERFORMANCE

Recent attempts to course-correct have been rushed and poorly executed, undermining confidence in Norwegian's outlook despite the demonstrated success of the strategy across the industry



## NORWEGIAN FRAMED THIS AS AN INTENTIONAL DECISION TO GENERATE “BUZZ”...

“So we are getting buzz. We're getting momentum. And I think as Harry said, as we start to see more word of mouth, on that to the latter part of this year into early next year, I think we're going to continue to see strength and momentum build out of that.

CFO Kempa, November 2025

## BUT INVESTORS SEE THROUGH THIS EXCUSE FOR POOR EXECUTION

“[NCLH] needs to rebuild credibility... Making matters worse, the capacity was planned 2.5 years in advance (which is reasonable) but the [Great Stirrup Cay] product is not online until mid-summer '26. We still don't totally understand the delays/mismatch in timing...

Mizuho, February 2026

NCLH sees 1Q net yields as more pressured than initially anticipated... Driving the yield pressure is the combination of their 40% y/y capacity increase in the Caribbean – a capacity deployment they had planned approx. 2.5 years ago – combined with **not yet having the full set of Great Stirrup Cay amenities ready vs. when they had originally scheduled this capacity shift.**

Truist, February 2026

## STRATEGIC MISSTEPS AMPLIFIED BY POOR EXECUTION

Poor day-to-day operational execution in other areas of the business has driven several points of idiosyncratic yield headwinds

---

- ④ **Revenue Management** **Repeated revenue management missteps** – a fundamental capability for any cruise line operator – **call into question broader execution capabilities**
- ④ **Deployments** Norwegian has **frequently made last-minute changes to ship deployments**, creating an unnecessary yield headwind
- ④ **Occupancy** Norwegian's **occupancy has meaningfully declined** and has **underperformed Royal Caribbean by 550bps** from 2019 to 2025E
- ④ **Gross-to-Net Conversion** Norwegian's **gross-to-net revenue conversion deteriorated and underperformed Royal Caribbean by 450bps** from 2019 to 2025E

---

Several data points across the business indicate that **Norwegian's Board is incapable of overseeing the execution of the current plan, let alone driving future strategy**

# POOR EXECUTION HAS REPEATEDLY DISAPPOINTED INVESTORS

Norwegian's strategic errors have been exacerbated by consistent execution missteps that have damaged investor confidence and fueled skepticism about the Company's outlook and positioning

## Norwegian's Promises



Record net yields and Adj. EBITDA in 2023  
(Stated repeatedly in 2022)



Increased 2023 EBITDA guidance  
(Q2 2023 earnings)



Net yield growth exceeding unit cost growth by 2.5% for 2024-26 (May 2024 Investor Day)



“Strong demand” with forward-booked pricing and occupancy in-line with or above 2024 in all four quarters of 2025 (Q3 2024 earnings call)



“Impressive” demand for 2025 European summer sailings (Q4 2024 earnings call)



“Yield tailwind” from shifting itinerary mix to Caribbean (Q1 2025 earnings call)

## Delivered Results

Initially guided 2023 below 2019 and subsequently **missed**



**Cut guidance** just one quarter later



Guided to 2025 spread of only 170bps and **retroactively redefined** Investor Day target as a cumulative metric



**Guided to flat** Q1’25 net yields and occupancy down 300bps



**Cut 2025 net yield guidance** two months later, blaming Q3 European itineraries



**Cut 2025 net yield guidance** and blamed itinerary mix shift

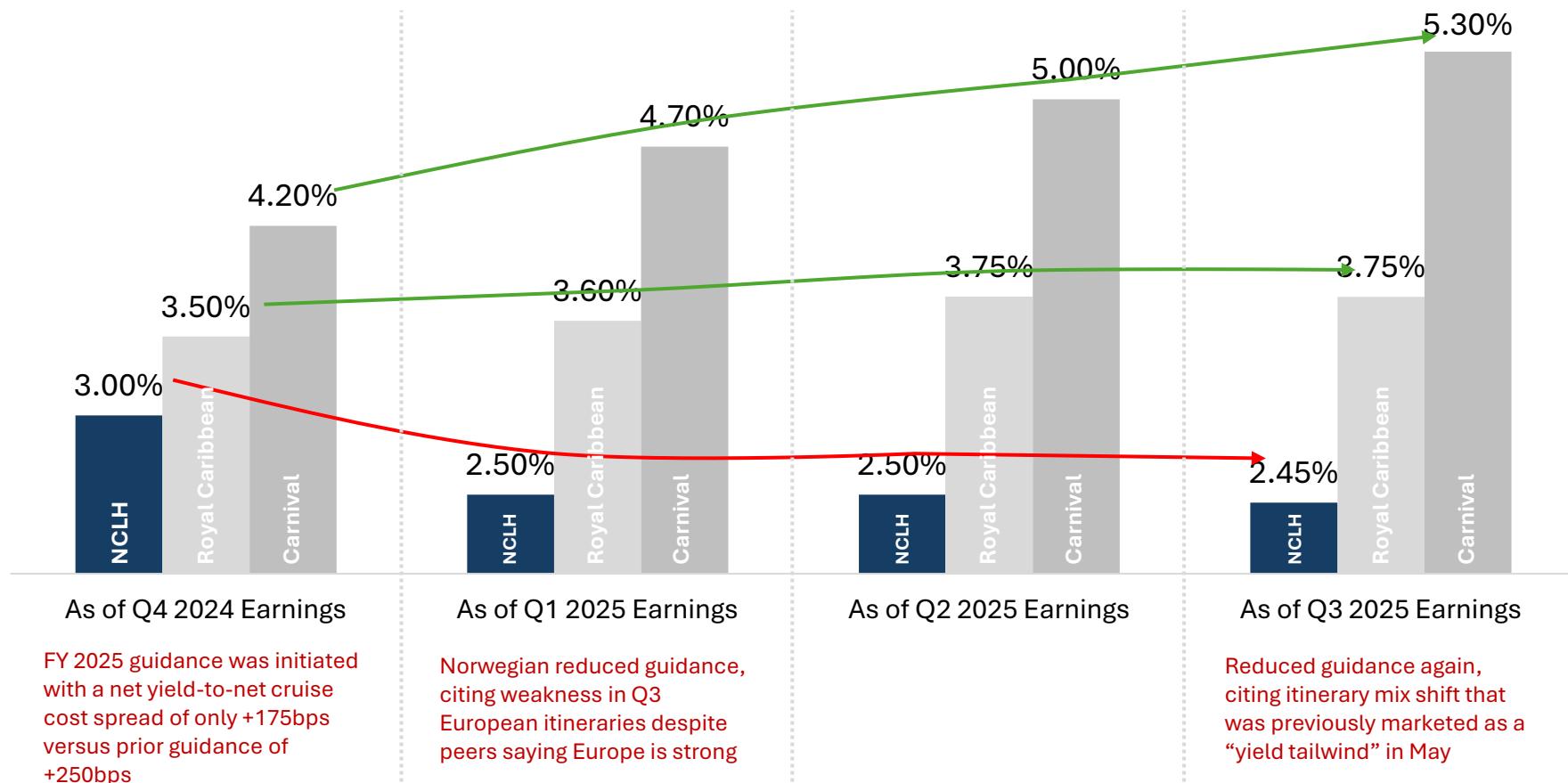


# EXECUTION CONTINUED TO DETERIORATE IN 2025

While peers continued to “beat and raise” in 2025, Norwegian reduced guidance multiple times, raising serious questions about leadership’s grasp on their own business

## 2025 Unit Revenue Guidance

Guidance for Y/Y Change in Constant Currency Net Yield



“We believe NCLH’s yield cut today is company-specific, as we have been flagging all year that they were likely to miss that guidance...”

UBS, November 2025

“NCLH has underperformed ocean peers (RCL/CCL) over the past several quarters across net yield metrics (total, ticket, onboard)...”

Morgan Stanley, August 2025

“NCLH shares underperformed today (-7% vs. S&P flat) after a cut to net yield guidance surprised investors, particularly after RCL’s yield guidance was raised the day prior and provided upbeat data points around April bookings outpacing y/y.”

Goldman Sachs, April 2025

“Based on what we have heard from other cruise operators (meaning not seeing material booking softness), investors are going to question NCLH’s execution, which is something that’s been scrutinized before. Unfortunately, this probably puts NCLH back in the penalty box for a period of time...”

Stifel, April 2025

“As expected, a material impact from Maui/Israel on NCLH’s 4Q, but additional execution issues related to post-COVID strategy shifts as well.... NCLH must have either fallen behind or mis-forecasted the level of close-in demand, in our view, which is likely part of the 4Q occupancy guidance miss. And while it may be limited to the 4Q23 (plans have been "recalibrated" to indicate 4Q24 will be more optimal), it adds an additional layer of execution-related disruption. Elsewhere, forward bookings commentary is solid/stable...”

Barclays, November 2023



## Executive Summary

Summary of Elliott's Views on Norwegian

## Wasteful Culture

A Decade of Cost Underperformance

## Strategic Errors and Poor Execution

Strategic Missteps and Poor Execution in All Key Areas

## Failed Corporate Governance

Complete Breakdown of Corporate Governance and Management Oversight

## Norwegian Now

A Clear Path to Improve Performance, Restore Credibility and Deliver on Norwegian's Potential

# BOARD MUST BE OVERHAULED TO RESTORE CREDIBILITY WITH INVESTORS

Norwegian's Board is culpable for the Company's poor performance and corporate governance failures

## Snapshot of Norwegian's Current Board

	Professional Background	Tenure (Yrs)	TSR	vs. Peers	vs. S&P 500
Director 1	Private equity executive (focus on sports)	12	(31%)	(334%)	(379%)
Director 2	Named CEO on 2/12. Former CEO of Subway	10	(47%)	(156%)	(360%)
Director 3	Current Chair of NCLH. CEO of gaming company	9	(49%)	(198%)	(305%)
Director 4	Former U.S. Coast Guard Rear Admiral	8	(59%)	(140%)	(239%)
Director 5	Former research analyst covering hospitality	4	(19%)	(174%)	(86%)
Director 6	CEO of funeral services company	3	28%	(361%)	(58%)
Director 7	Former CEO of Restaurant Brands International	2	29%	(170%)	(35%)
Director 8	Former Chief Customer Officer of United Airlines	1	24%	(28%)	2%

## WHAT NORWEGIAN HAS TODAY



- **NO** directors, including the newly appointed CEO, with executive experience in the cruise industry
- Two directors with fast-food experience (including the newly appointed CEO), a funeral services CEO, a private equity investor and a former equity research analyst
- A Board that tolerated more than 10 years of deep underperformance and approved a fundamentally misaligned incentive structure for management
- A Board that has no credibility with shareholders in its principal responsibility: **to hire the right leadership and hold them accountable**

## WHAT NORWEGIAN NEEDS



- ✓ Leadership with **cruise line operating experience**
- ✓ A Board with **complementary backgrounds**, including experience in adjacent industries and corporate transformation
- ✓ Leadership with a track record of **operational excellence** and **value creation**
- ✓ **Unimpeachable independence** and a commitment to hold management accountable
- ✓ An ability to rapidly **restore credibility** with the investment community

**Elliott is committed to resetting this unacceptable dynamic and ensuring Norwegian's Board has the capabilities required to deliver necessary change**

# CONSISTENT FAILURE TO SELECT CAPABLE LEADERSHIP

The Board has consistently failed to appoint the leadership Norwegian deserves. Now, the Board has yet again opted for an insider

2015

Appointed luxury cruise entrepreneur **Frank Del Rio** as CEO, who delivered a **-53% decline** in Norwegian's share price and a **-46% TSR versus peers** over his tenure

- ➔ Promoted wasteful spending and runaway SG&A growth that misaligned Norwegian's costs with the industry
- ➔ Pursued a strategy that ran counter to every key industry trend that has driven strong performance at peers
- ➔ Deteriorating execution and investor confidence that drove meaningful multiple compression

2023

Chose 20-year Del Rio protégé **Harry Sommer** to succeed Del Rio, which resulted in a further **-143% TSR versus peers** over his tenure

- ➔ Rushed and poorly executed strategic pivot that undermined confidence in Norwegian's outlook
- ➔ Unambitious cost plan that only results in costs increasing in-line with peers after years of underperformance
- ➔ Repeated guidance misses driving further erosion of investor confidence and multiple compression

Now

Appointed a **10-year director as CEO** rather than running a broad and comprehensive process to find the best CEO candidate

**Comprehensive Board change is necessary to restore effective leadership and oversight**

# NEW CEO APPOINTMENT RAISES SERIOUS QUESTIONS AMONG INVESTORS

The rushed appointment of a new CEO with no relevant cruise line operating experience has raised serious questions among investors and research analysts about Norwegian's long-term strategy and outlook

...**NCLH is being run by someone with zero ties to the cruise industry.** Yes, Mr. Chidsey has an extensive background in multiple consumer-facing companies (and served on NCLH's Board for ~10 years) but **does not have any background within the cruise industry. So now NCLH, the corporation, is being run by someone with no cruise experience** (and maybe that's not a bad thing?) **while their biggest brand, Norwegian, is also being run by someone** (David Kazlauskas, came out of the travel agent world) **with no operational experience** ... Bottom line is that **today's management change just brings more "noise" into a story that doesn't need more "noise" right now.**

Stifel, February 2026

CEO Stepping down ... **the abruptness of this announcement, at a time when we believe the company is at peak self-inflicted disruption, reaffirms our concerns over how badly the company may be missing its internal targets for said ongoing strategic shift...**

Barclays, February 2026

**NCLH announced CEO Harry Sommer is stepping down, replaced by John Chidsey from the Board (previously with Subway).** The news comes after more cautious 4Q guidance and management changes in the Norwegian and Prestige brands.

Morgan Stanley, February 2026

**Norwegian's CEO appointment reflects a profound failure of Board oversight:** the Company had no credible succession plan, no executive bench, conducted no comprehensive search and ultimately installed a leader with no executive experience in the cruise industry

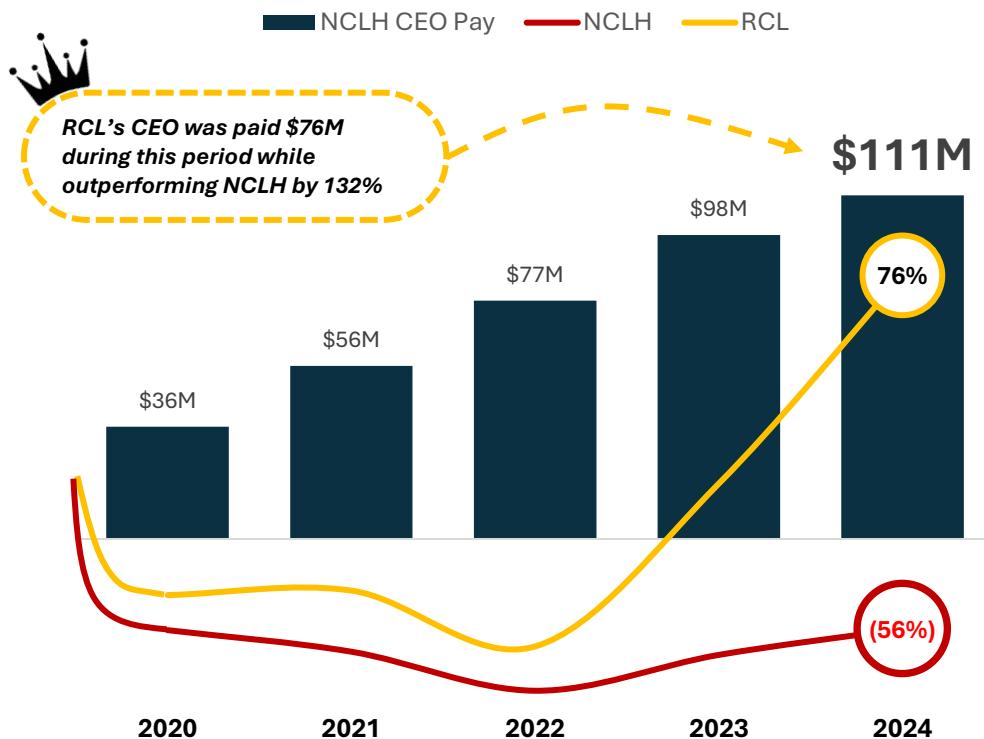
# THE BOARD'S HIGH TOLERANCE FOR VALUE DESTRUCTION

Call	Former CEO's Message to Shareholders	Cumulative TSR vs. Peers Since Year-end 2022
Q1'23	"So optimistic for what lies ahead... We'll continue to leave no stone unturned... We're going to <b>do everything in our power to deliver</b> on all our goals."	(8%)
Q2'23	"[I see] significant opportunities... I have <b>the utmost confidence that this team is the right one</b> to take the company to even greater heights."	(62%)
Q3'23	"We are <b>committed to take back a leadership position not just in cruise, but in the broader travel, leisure and hospitality sector.</b> "	(49%)
Q4'23	"I couldn't be more excited... We have the <b>right resources in place</b> ... [to] deliver <b>long-term profitable growth and shareholder value.</b> "	(67%)
Q1'24	"We will continue to <b>focus on execution</b> ... Providing our guests with experiences they value while delivering long-term profitable growth and shareholder value."	(97%)
2024 Analyst Day	"A <b>simple and executable plan</b> from an <b>experienced management team</b> with a <b>clear strategy</b> ... that drives meaningful results and increases shareholder value."	(111%)
Q2'24	"An exciting time for Norwegian... Our <b>strategic approach is positioning us for sustained long-term success</b> on our <b>well-defined path forward.</b> "	(111%)
Q3'24	"We remain confident in our strategy... As we look to the future, I'm <b>filled with optimism about the opportunities that lie ahead</b> for Norwegian."	(139%)
Q4'24	"I am <b>more confident than ever that our strategy is working and our execution is delivering results.</b> I look forward to what 2025 will bring..."	(194%)
Q1'25	" <b>Clear strategy, focus and strength of execution</b> ... I am confident we are charting the right course."	(202%)
Q2'25	"More than ever, I'm confident that our strategy is working and our execution is delivering."	(301%)
Q3'25	"I'm <b>confident in our trajectory</b> and excited... as we continue charting our course to <b>our sustainable, long-term value creation.</b> "	(272%)
Sommer Resigned		(355%)

# MISALIGNED INCENTIVE STRUCTURE

From 2020 to 2024, shareholders lost 56% of their investment in Norwegian while the two individuals who served as CEO during that period received pay packages worth \$111 million. Del Rio received another \$8 million in consulting fees in 2024 and 2025<sup>(1)</sup>

## Cumulative CEO Pay vs. Cumulative Shareholder Returns



## EXCESSIVE REWARDS TO CEO<sup>(2)</sup>

- \$15.9M for financing new ships
- \$12.5M for maintaining ship certifications
- \$4.5M for transitioning responsibilities to new CEO
- \$365k for taking ship deliveries
- \$230k for clearing health inspections

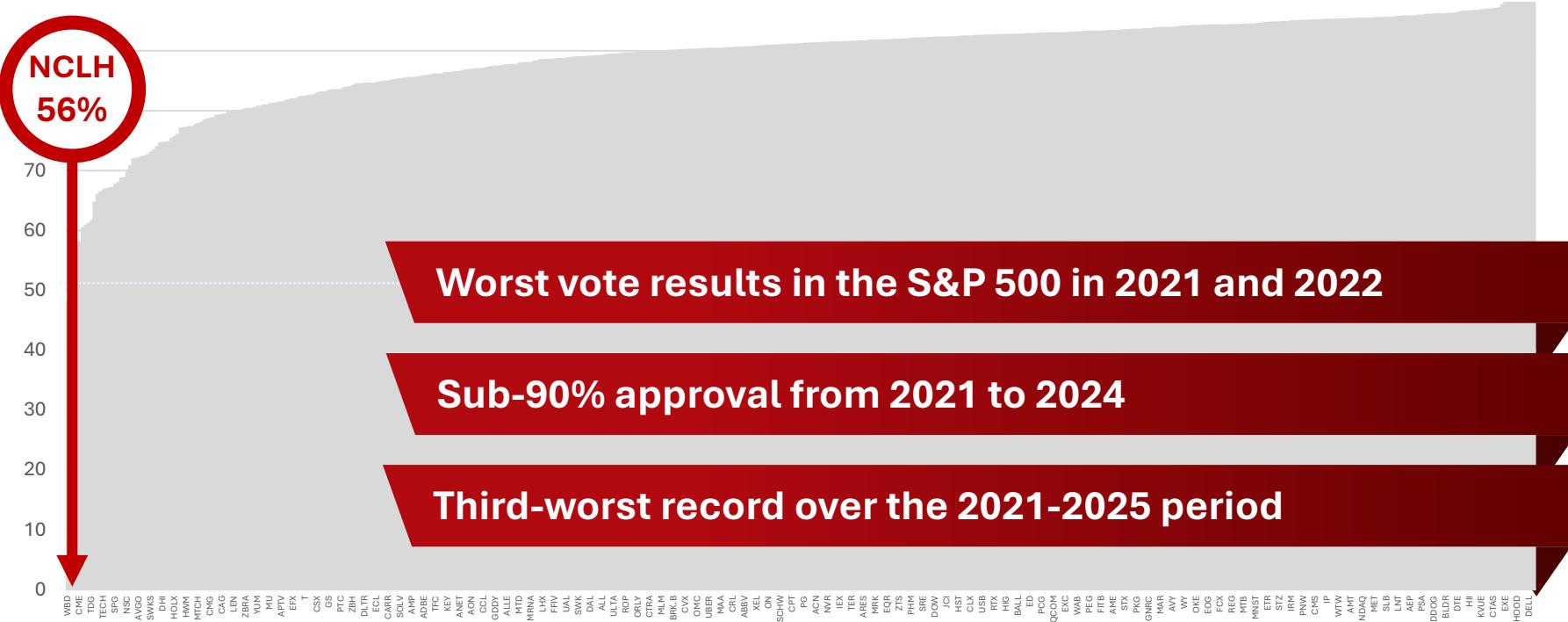
Excessive compensation and unambitious incentive targets highlight the need for **new independent Board-level oversight**

# SHAREHOLDERS DO NOT TRUST THE BOARD TO REWARD PERFORMANCE

Norwegian ranks among the worst companies in the S&P 500 for say-on-pay support over the past five years. It was the only company to receive two sub-20% failed votes during this period

## Average Say-on-Pay Vote Results (2021-2025)

Votes For as a % Base Requirement for Approval



“With the cruise industry at a standstill, **the company lost \$4 billion and furloughed 20 percent of its staff. That didn’t stop Norwegian from more than doubling the pay of Frank Del Rio...**”

New York Times, May 2021

“**[Del Rio] will serve as a consultant through 2025, earning a \$2 million consulting fee in 2023 and a \$4 million consulting fee in each of 2024 and 2025.**”

Glass Lewis, April 2023



## Executive Summary

Summary of Elliott's Views on Norwegian

## Wasteful Culture

A Decade of Cost Underperformance

## Strategic Errors and Poor Execution

Strategic Missteps and Poor Execution in All Key Areas

## Failed Corporate Governance

Complete Breakdown of Corporate Governance and Management Oversight

## Norwegian Now

A Clear Path to Improve Performance, Restore Credibility and Deliver on Norwegian's Potential

## HOW NORWEGIAN CAN ACHIEVE ITS POTENTIAL

### ✓ COMPREHENSIVE BOARD CHANGE

Norwegian requires comprehensive Board change and new, truly independent directors with relevant industry and operational expertise, empowered to drive change and hold management accountable

### ✓ MANAGEMENT REVIEW

The new Board must ensure that the Company has the right executive leadership team in place to restore credibility and execute a bold strategic plan

### ✓ NEW BUSINESS PLAN

Following Board and leadership changes, the Company should implement a new business plan that delivers industry-leading profitability and return on invested capital



# BOARD CHANGE

Elliott has identified highly qualified executives who are ready to serve on Norwegian's Board

Cruise Line Operating Experience

Other Relevant Industry Experience

Unimpeachable Independence

Corporate Transformation Experience

Investor Credibility



ELLIOTT BELIEVES THESE INDIVIDUALS WOULD PROVIDE AN IMMEDIATE BOOST TO NORWEGIAN'S CAPABILITIES, EXPERTISE AND CREDIBILITY WITH INVESTORS

# MANAGEMENT REVIEW

An objective review of management by the new Board will ensure the right leaders are in place to develop a best-in-class strategy and execute on delivering improved results



# NEW BUSINESS PLAN TO UNLOCK NORWEGIAN'S POTENTIAL

We believe that with the right leadership and appropriate Board oversight, Norwegian can rapidly and meaningfully improve its financial performance

## Costs

Right-size Norwegian's SG&A to historical levels – prior to runaway increases – and align with peer benchmarks

## Strategy

Align strategy with industry trends, including building out and monetizing Norwegian's unique and well-positioned private island

## Marketing

Develop an effective marketing message and concentrate on high-ROI spend

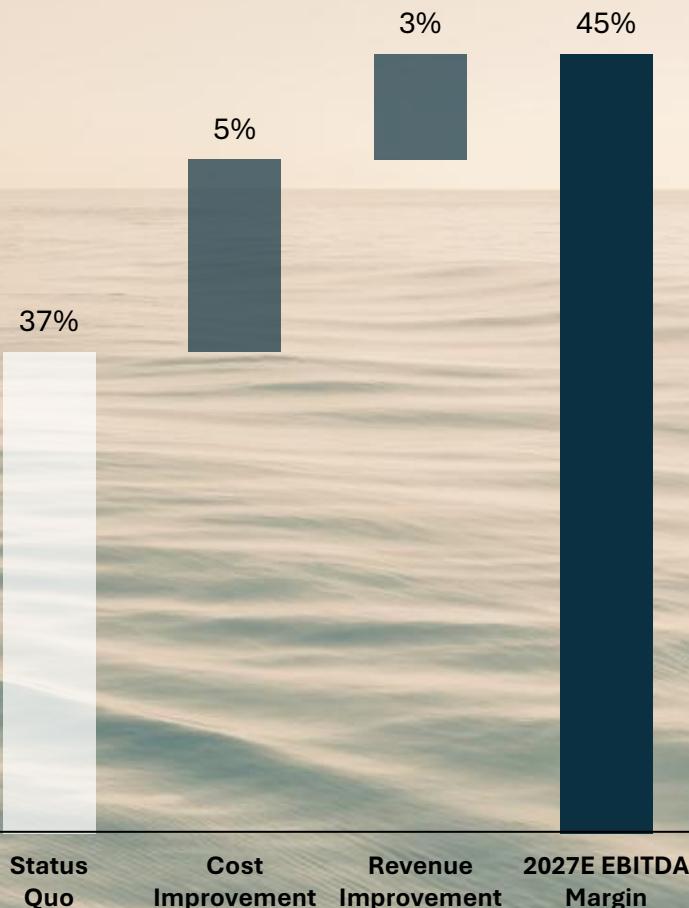
## Guest Experience

Innovate and invest in the guest experience, including best-in-class guest-facing technology

## Revenue Management

Enhance Norwegian's revenue management strategy with new tools and fresh perspectives

## Norwegian's Path to \$4B+ of EBITDA

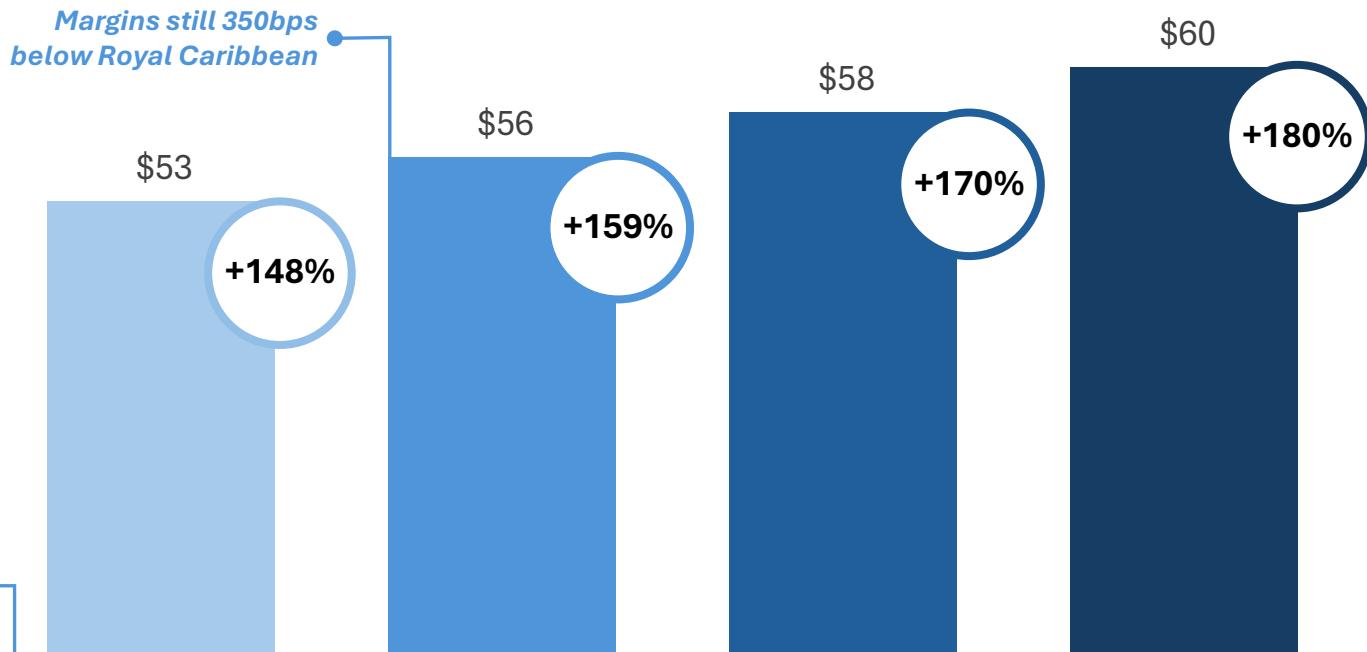


# CLEAR PATH TO A SIGNIFICANTLY HIGHER SHARE PRICE

Improving Norwegian's profitability and partially closing the valuation gap to Royal Caribbean would drive Norwegian shares 148-180% higher, **even assuming a continued margin and multiple discount**

## Estimated Share Price Upside

Share Price at Realized 2027E Margin and Multiple<sup>(1)</sup>



Target TEV / 2027 EBITDA

10.0x

10.0x

10.0x

10.0x

2027E EBITDA Margin

44%

45%

46%

47%

EBITDA Margin Improvement

675bps

775bps

875bps

975bps

2027E EBITDA

\$4.0B

\$4.1B

\$4.2B

\$4.3B

# PATH FORWARD

- ✓ Comprehensively refreshed Board with new, highly qualified independent directors
- ✓ The new Board to ensure that the optimal executive leadership team is in place
- ✓ Norwegian to develop a new business plan to achieve industry-leading performance
- ✓ Norwegian to publicly communicate its plan and begin implementation no later than Q3 2026

**We are ready to meet with the Board to discuss these issues in greater detail and align on a path forward. While our preference is to reach a constructive resolution, we are prepared to take our case directly to shareholders at the upcoming annual meeting**



**WWW.ELLIOTLETTERS.COM/NORWEGIANNOW**

MEDIA | CASEY FRIEDMAN | +1-212-478-1780 | CFRIEDMAN@ELLIOTTMGMT.COM

INVESTORS | FEEDBACK@ELLIOTTMGMT.COM

PROXY SOLICITOR | OKAPI PARTNERS | +1- 877-869-0171 | INFO@OKAPIPARTNERS.COM