

INFORMATION MEMORANDUM

April 2024



Questions to ir@flyplay.com

Operational efficiency achieved: **Focus on profitability in 2024, not expansion**



Cost Optimization Reached

- › Competitive scalability reached with 10 airplanes
- › Ex-fuel CASK down by 6% in 2023
- › Culture of operational discipline, constantly seeking opportunities for further cost improvement



Operation Running Smooth

- › 83% on-time performance in 2023, the third most punctual airline in Europe¹⁾
- › Investment in IT infrastructure systems already resulting in decreased cost and higher RASK
- › Room for more expansion with current overhead cost



RASK Trending Upwards

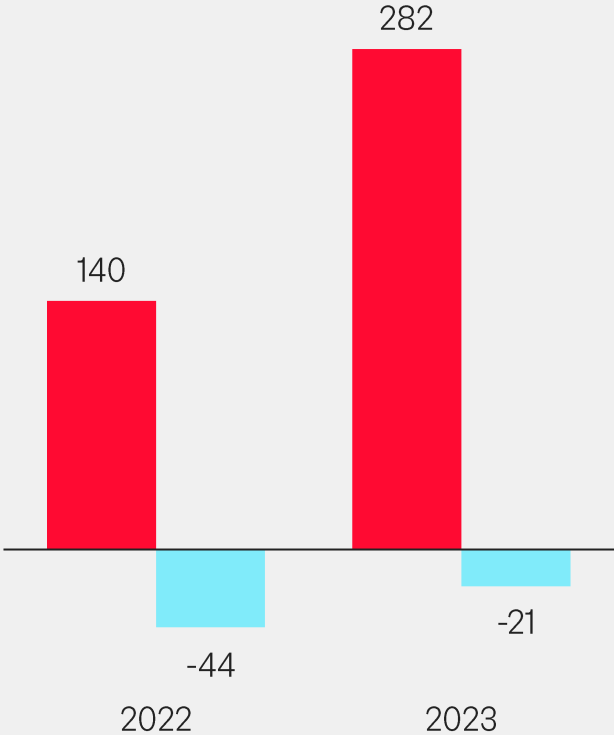
- › PLAY's routes becoming more mature
- › Ancillary revenue increased by 29% in 2023
- › Forward bookings showing increased RASK YoY

On the right path

Going into third year of operation we see a positive trend despite challenging conditions in the past years

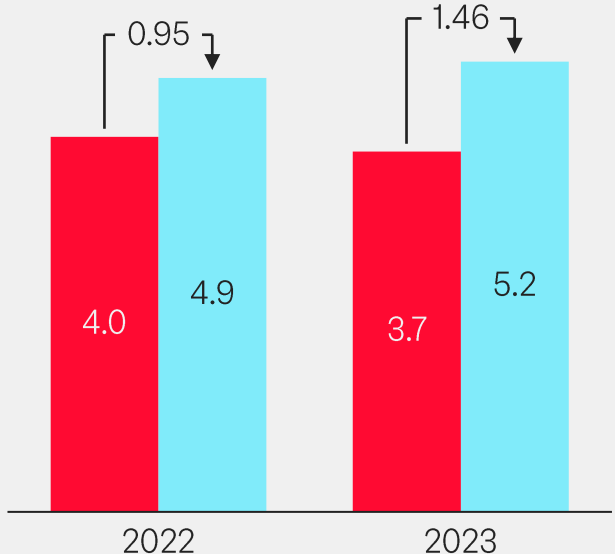
Revenue doubled and EBIT loss halved

Revenue (USD million)
EBIT (USD million)



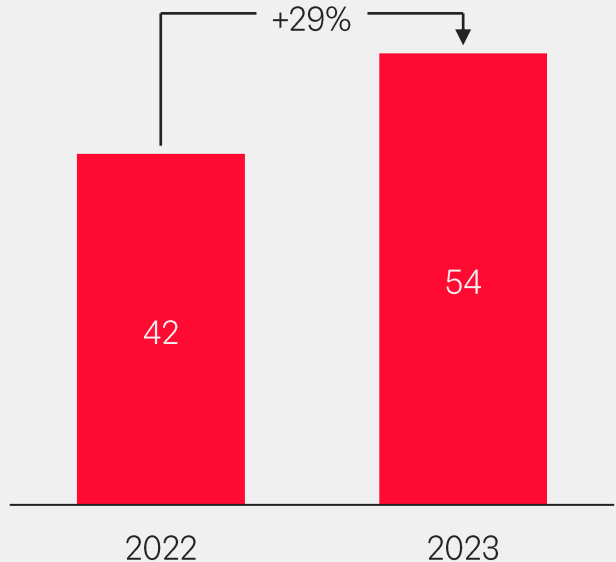
Capacity increased 89% while margin¹⁾ up 54%

Ex-Fuel CASK (\$ cent)²⁾
TRASK



Ancillary revenues growing

USD per pax

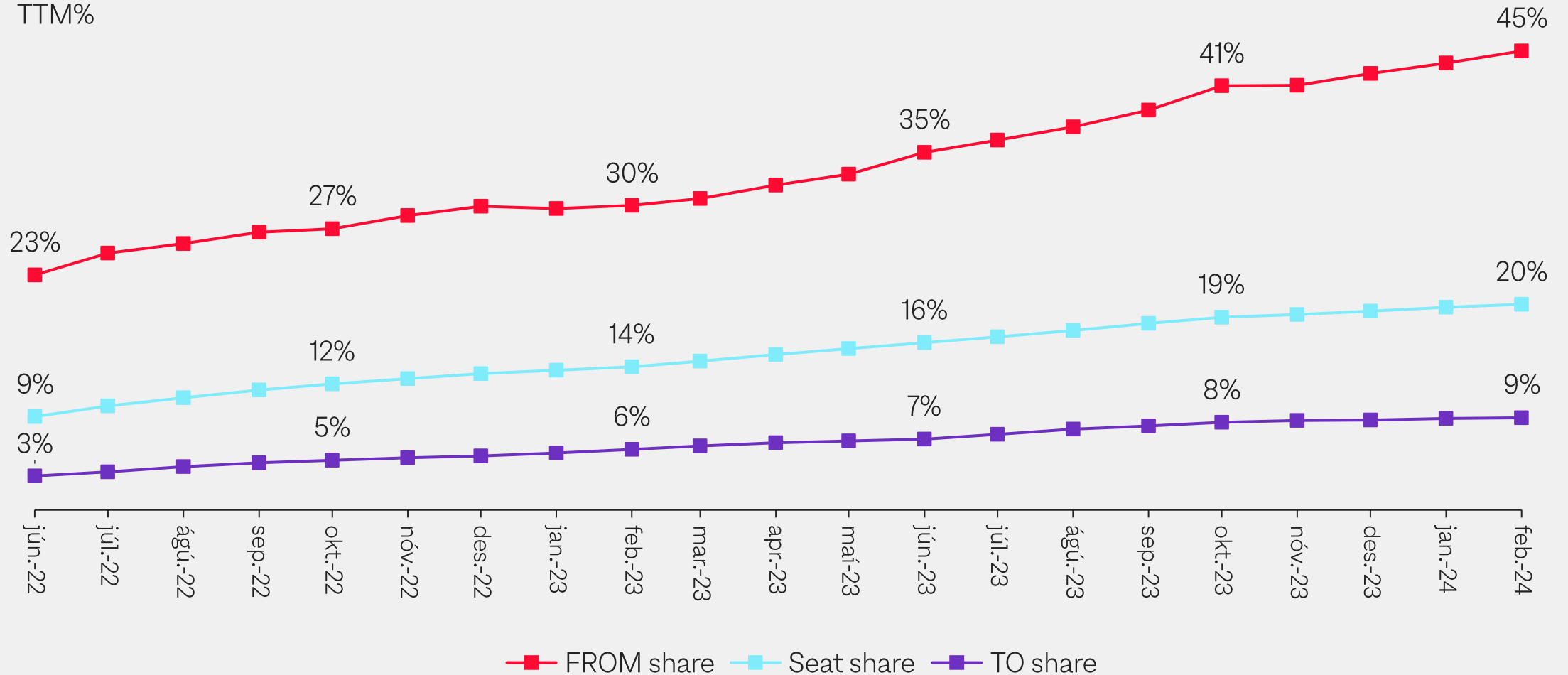


1) Margin = TRASK – Ex-Fuel CASK
2) PLAY’s official Ex-Fuel CASK is including de-icing costs

PLAY share of home market is **growing with increased brand awareness**

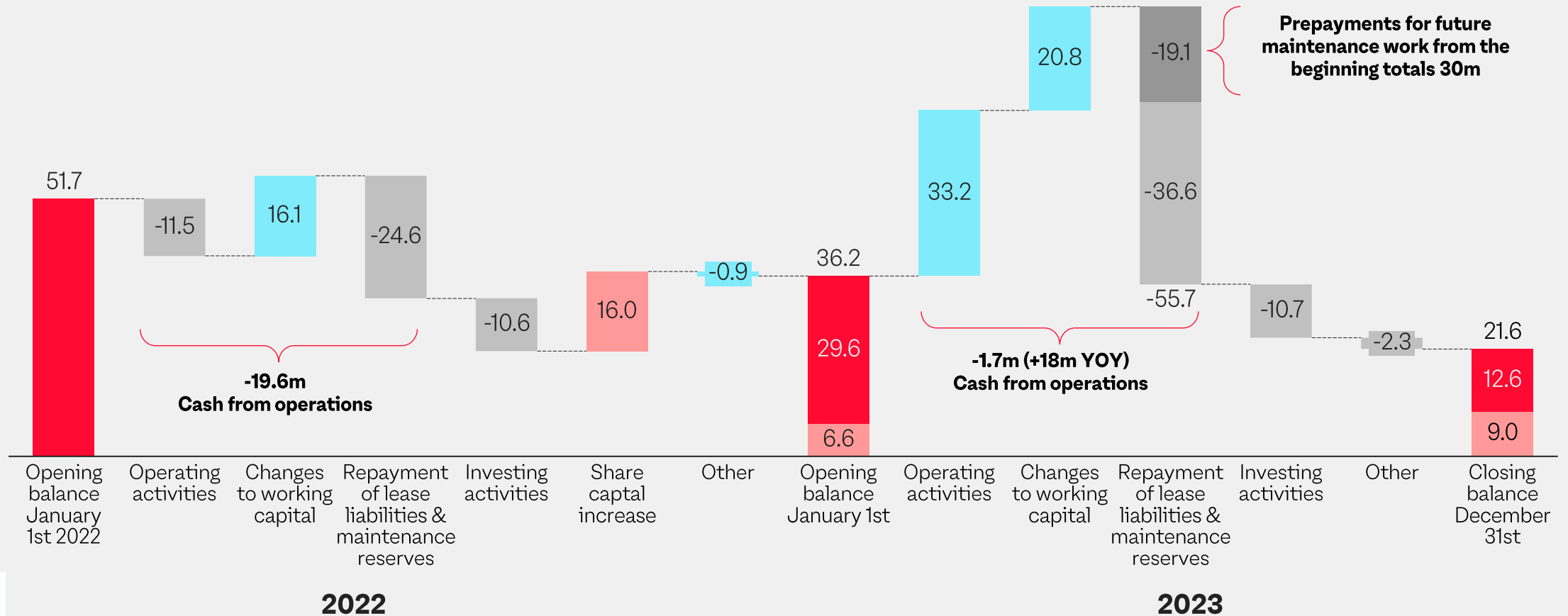
PLAY's Share of Seats and TO/FROM Passengers at KEF Airport

TTM%



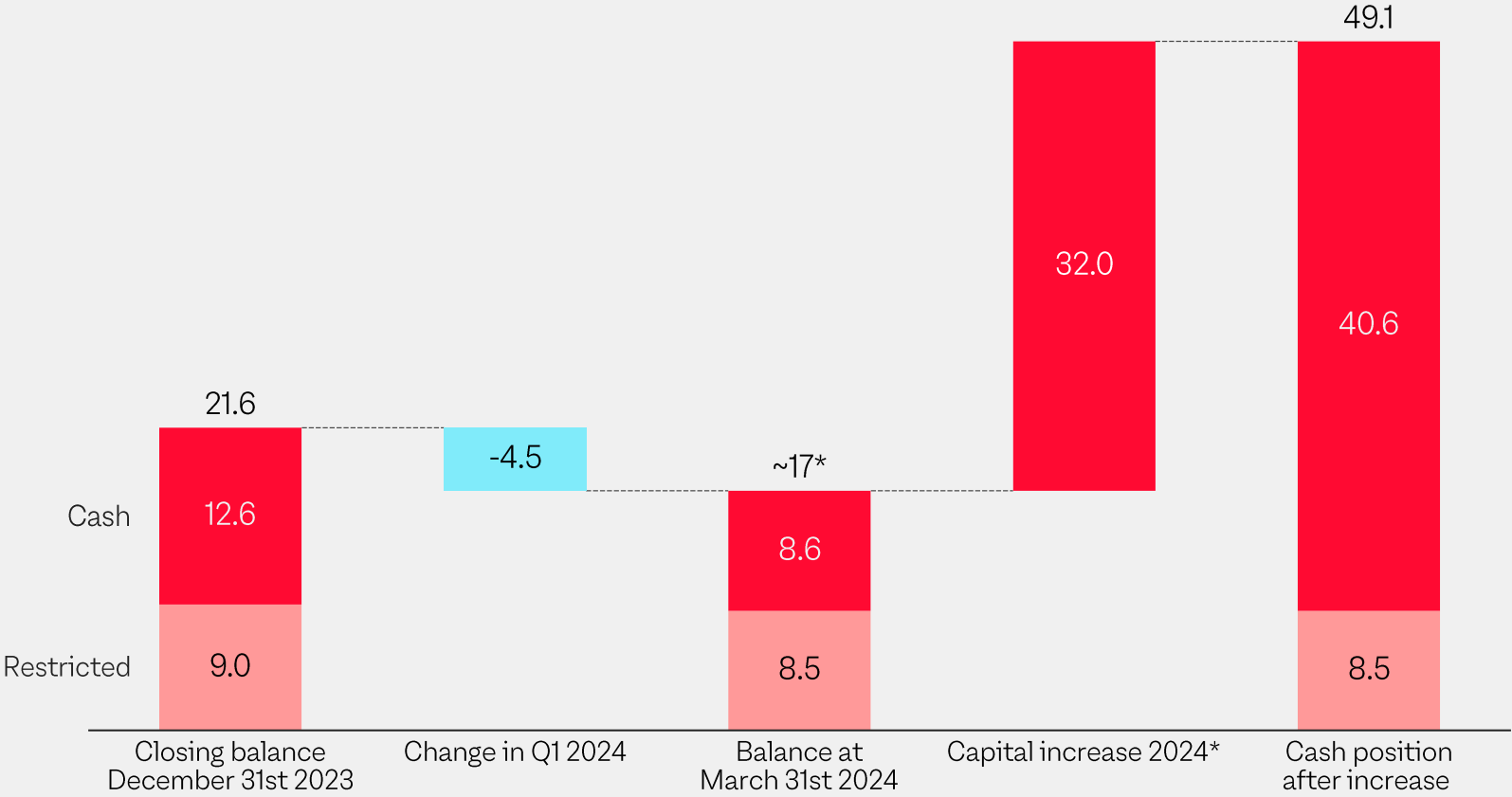
Cash flow from operations improved significantly

Despite 89% increase in capacity, cash flow from operations improved by **USD 18m in 2023** – Accumulative 30m in prepaid maintenance ensures predictability for future capital expenditure



Increase of share capital

We have spent recent weeks in a process to strengthen the financial position of the company and finance future growth. We have secured subscription of USD 32 million (ISK 4.500 million)

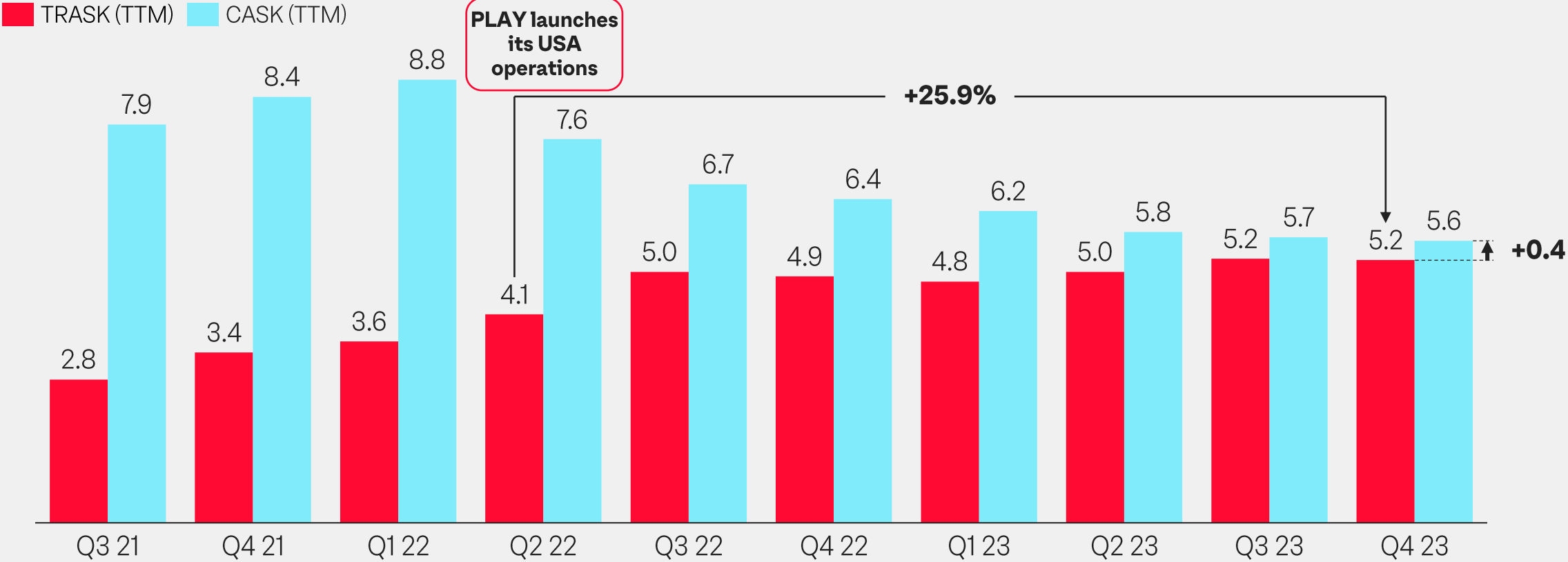


* Preliminary Q1 results

Based on recent RASK development, profitability is close by...

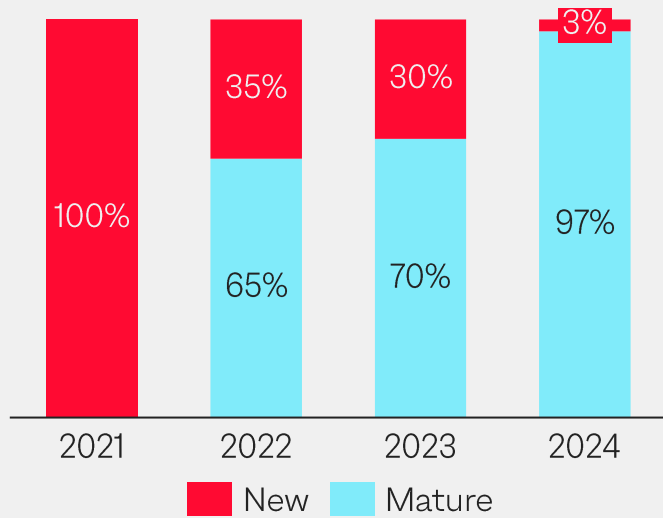
PLAY's network maturing resulting in improved revenue – Cost efficiency achieved with economy of scale & PLAY's low-cost culture

PLAY's Trailing Twelve Month (TTM) TRASK and CASK



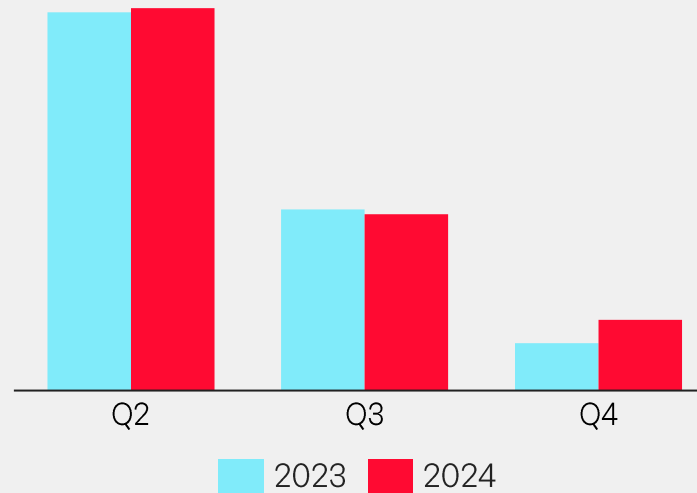
... revenue KPIs trending in the right direction...

... maturing network ¹⁾ ...



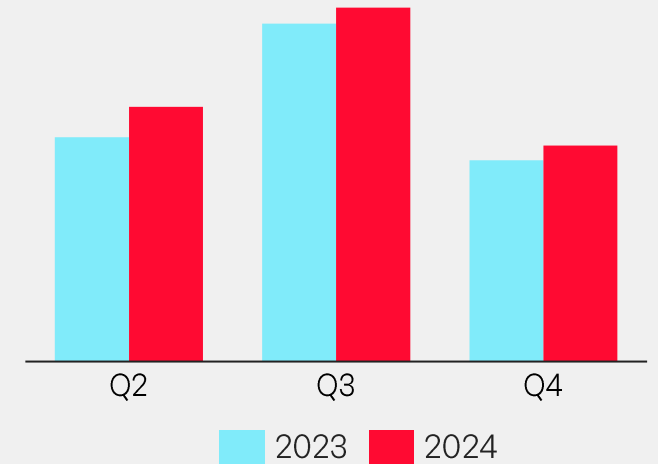
- › Only 3% of capacity on sale in summer 2024 is new
- › Unit revenue normally increases as markets mature due to increased awareness and our knowledge of each market improves

... load factor strengthening ²⁾...



- › Load factor YoY trending higher in Q2, similar in Q3 and significantly higher in Q4
- › TO and FROM markets performing better than last year
- › Earlier Easter holiday dates 2024 affecting like for like comparison

...revenue growing above ASK increase ³⁾



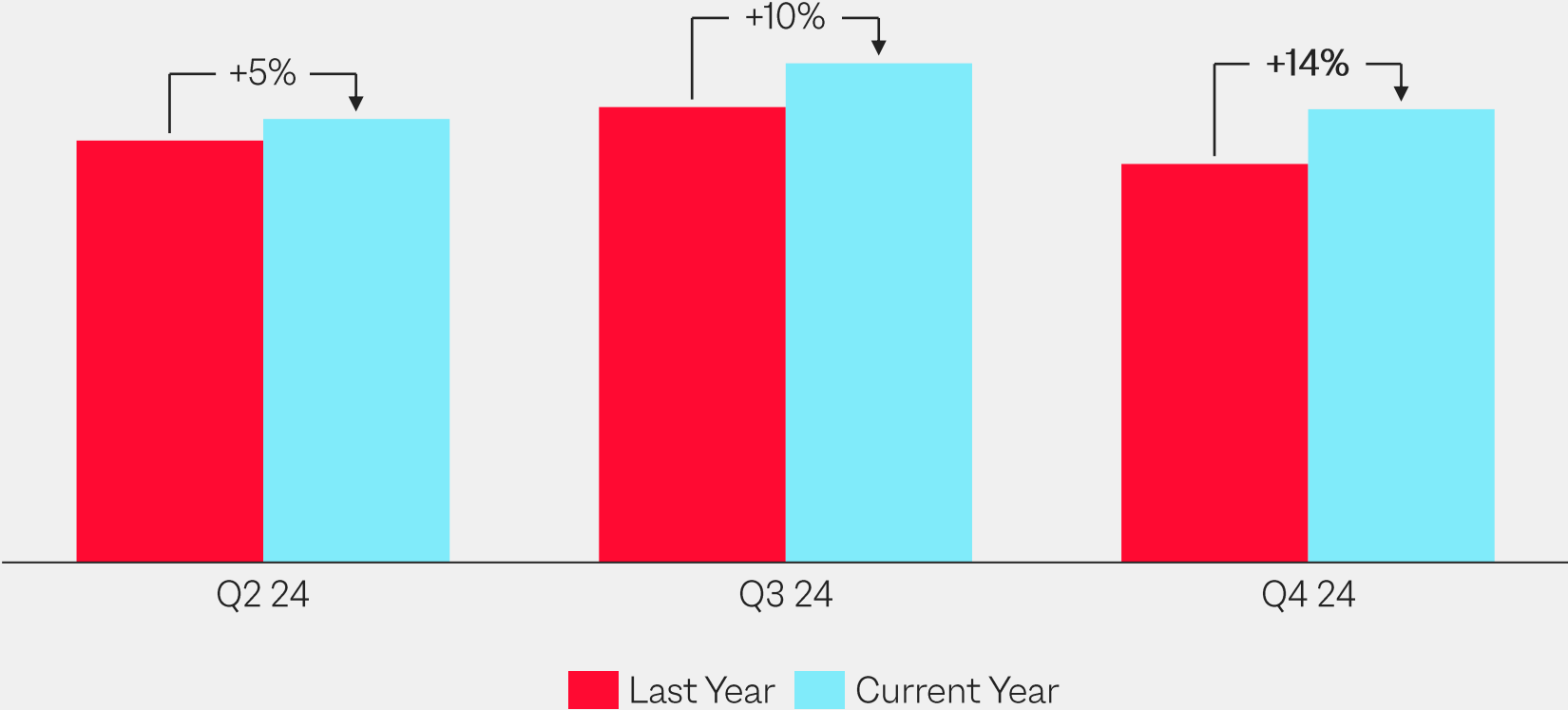
- › Revenue will continue to grow at a faster rate than capacity leading to improved EBIT YoY

1) Comparison is between June and August each year
 2) As of April 8th 2024
 3) Forecast as of April 8th 2024

... and forward ancillary yield continues to improve year on year

Investment in booking engine and new ancillary services is driving ancillary yields

Year-on-Year difference in forward ancillary revenue per passenger ¹⁾

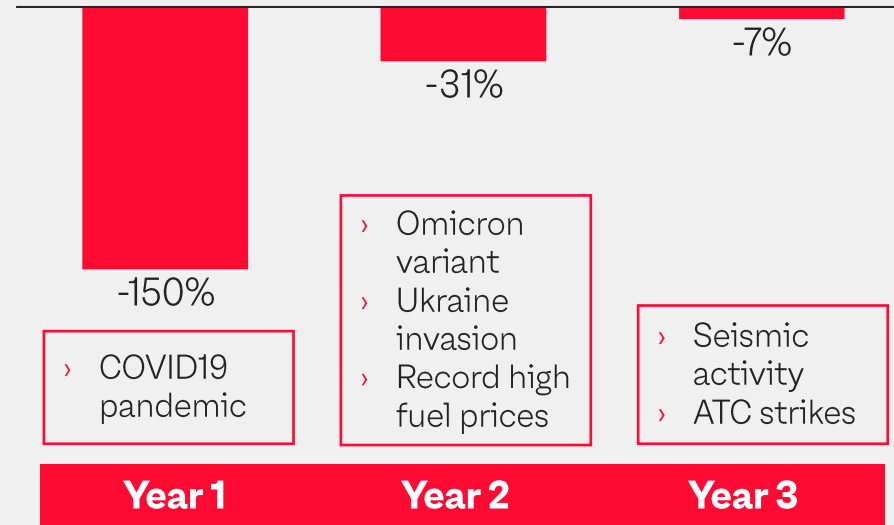


1) As of April 8th 2024. Only includes revenue from ancillary services sold online. Expecting further improvement closer to departure

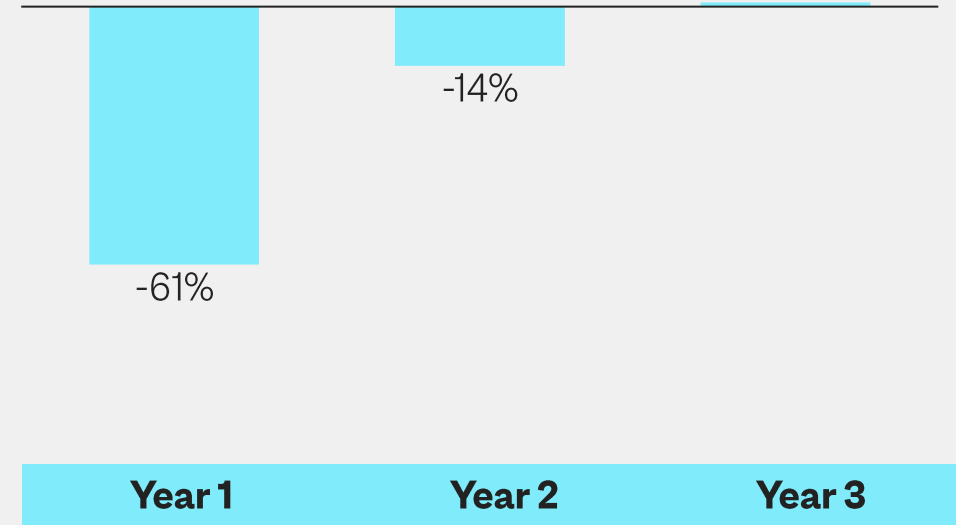
Our trajectory is not different to other successful startups

Despite various setbacks, our performance to date stacks well up against other successful airline startups

PLAY's EBIT Margin ¹⁾



Wizz Air's EBIT Margin ²⁾



	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
YoY Change in ASKs	-	+487%	+89%	-	+66%	+50%
Aircraft in fleet	3	6	10	6	8	10
Load Factor	53%	80%	83%	60%	77%	81%
EBIT – USD³⁾	-25m	-44m	-21m	-54m	-29m	+4m

1) Year 1 for PLAY is the year ending 31 December 2021. Not adjusted for impact of IFRS16

2) Financial results for Wizz Air Limited. Year 1 is the year ending 31 March 2005

3) EBIT results for Wizz Air Limited for the financial year ending 31. March 2005/6/7 in 2023 prices and converted from EUR to USD

PLAY's unit cost is competitive versus other airlines

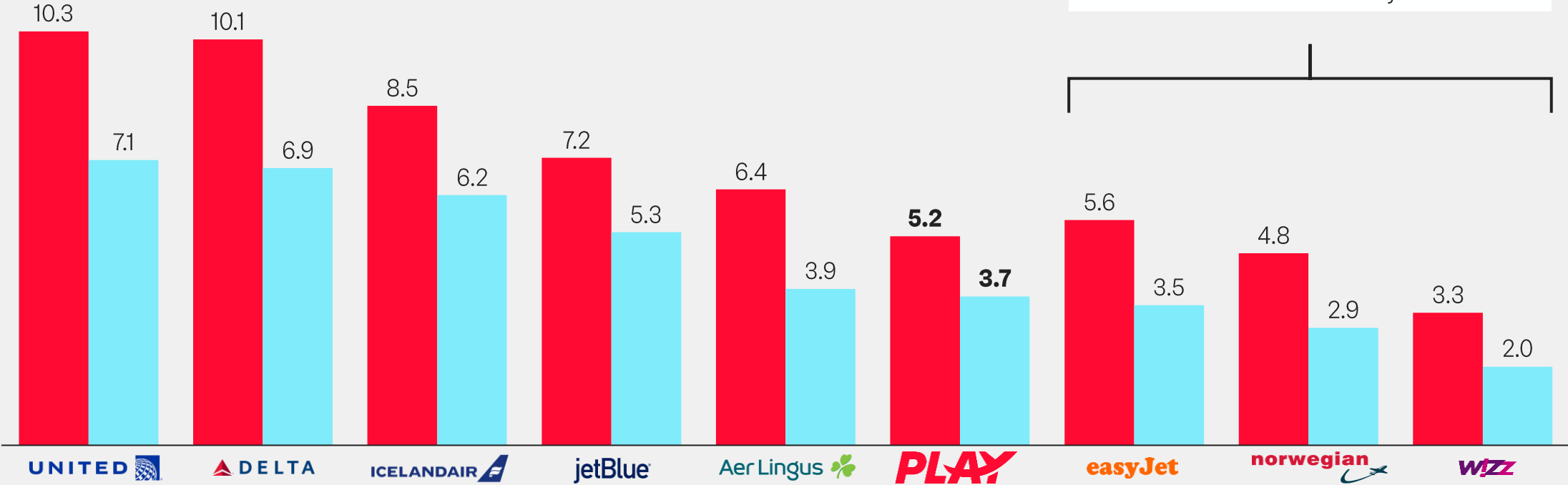
PLAY has the lowest Ex-Fuel CASK on the transatlantic – PLAY's forward-looking focus is on higher TRASK

TTM TRASK & Ex-Fuel CASK ¹⁾

US cents, stage length adjusted

TRASK Ex-Fuel CASK

Airlines operating only intra-Europe flights with no or minimal crew layover costs



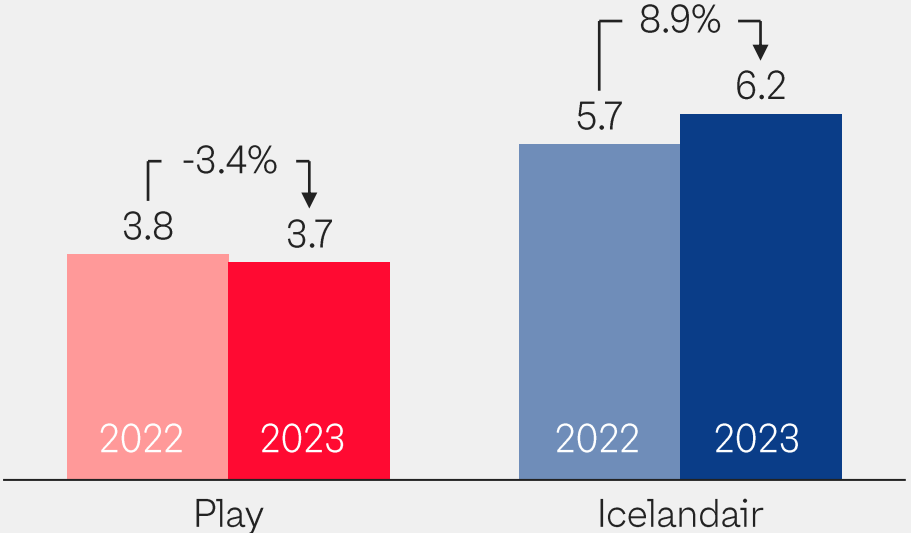
¹⁾ Icelandair's, JetBlue's, PLAY's and Wizz Air's CASK based on 12 months to 31 December 2023. EasyJet's, Aer Lingus' and Norwegian's based 12 months to 30 September 2023

Positive trend on the revenue and cost side of the business compared to the competition ...

PLAY's cost continues to decline, and revenue improve

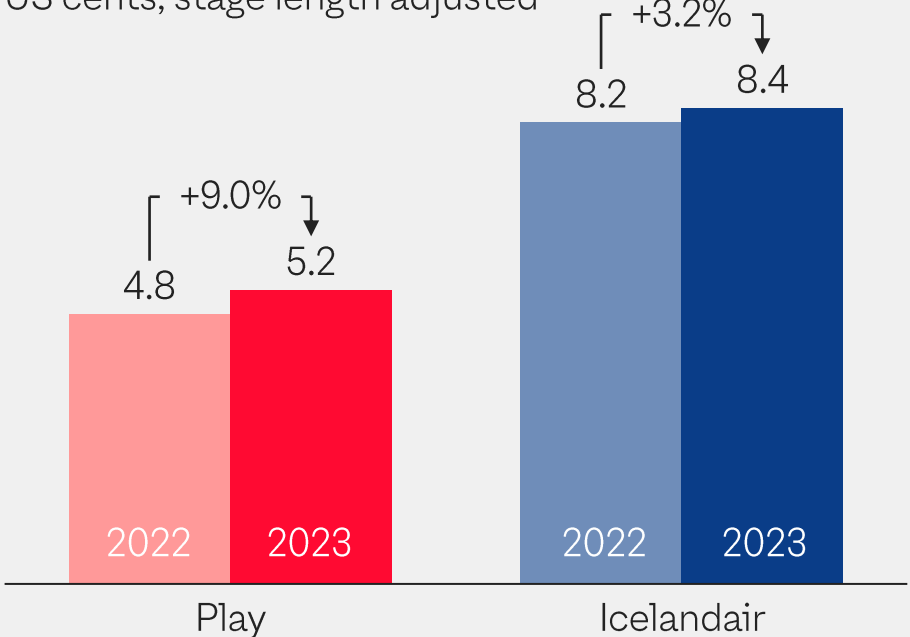
Ex-Fuel & de-icing CASK for PLAY and Icelandair ¹⁾

US cents, stage length adjusted



TRASK for PLAY and Icelandair

US cents, stage length adjusted



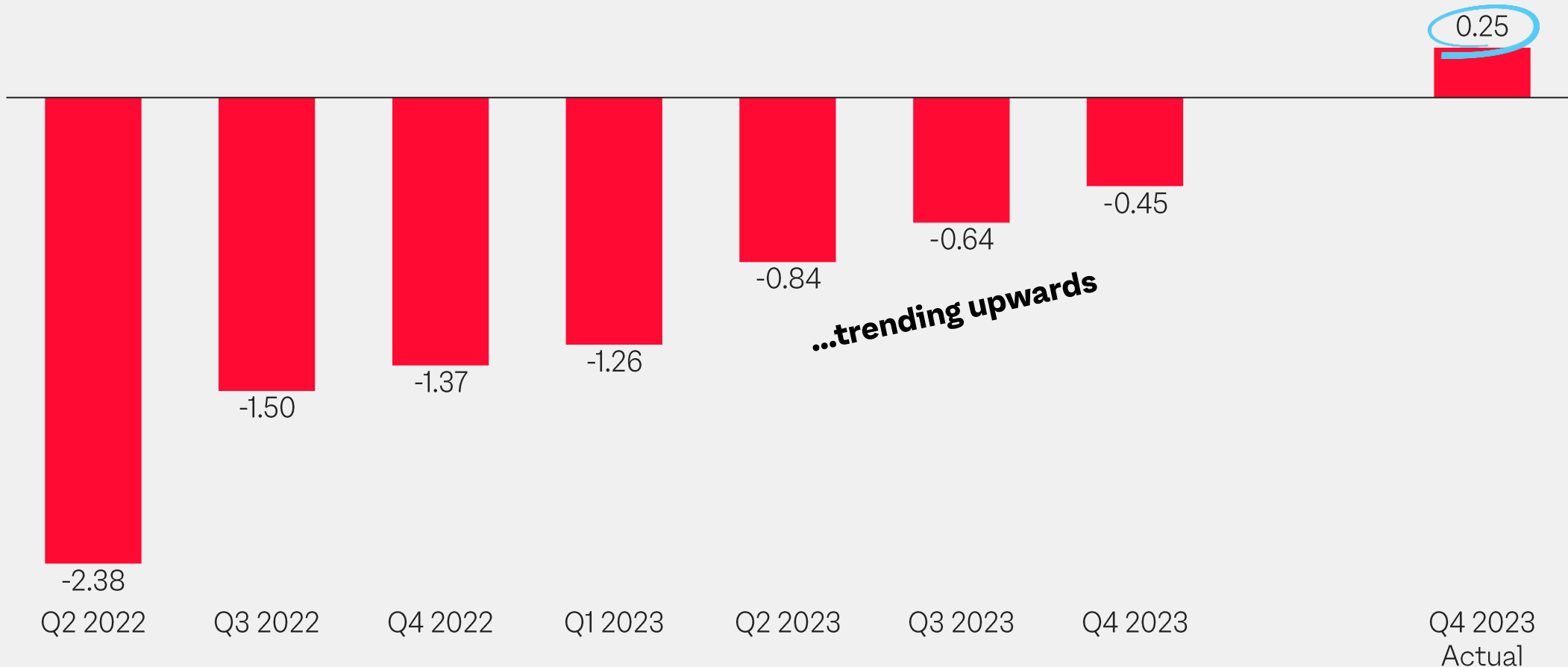
1) Icelandair's unit cost represents unit cost for the route network only as reported. PLAY's unit cost adjusted to Icelandair's average stage length

The gap is closing

Difference in EBIT per ASK is decreasing with last quarter turning the tables around

EBIT per ASK Difference

12 months rolling | PLAY minus Icelandair (US cents)



1) Comparison with Icelandair's route network.

Outlook 2024-25



Fleet

10 aircraft in 2024
12 aircraft in 2025*



Ex-Fuel CASK

Circa 3% annual
increase



EBIT

Approx. zero in 2024
Positive in 2025



Cash

Year-on-year cash flow
improvement in 2024
Positive in 2025

* 12 aircraft during peak season in 2025

Vision 2029

18-20 aircraft

Competitive Ex-Fuel CASK

EBIT margin >10%

Revenue USD >750m

Key terms of the offering

Size of the Offering

Up to ISK 500 million in purchase value
(111,111,112 shares)

Subscription Price

ISK 4.5 per share

Minimum Subscription Amount

ISK 100,000

Allocation Principles¹

To promote shareholder equality, current shareholders, other than those who have already subscribed for new shares, will have priority for subscription in case of oversubscription.

Subscription Period

From 10:00 (GMT) on Tuesday, April 9, 2024,
to 16:00 (GMT) on Thursday, April 11, 2024

Key Dates

9 April | Open investor meeting

9 – 11 April | Subscription period

11 April | Summarized results announced publicly

15 April | Subscribers notified of allocation

23 April | The final due date for payments

APRIL						
Mo.	Tu.	We.	Th.	Fr.	Sa.	Su.
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8	9	10	11	12	13	14
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29	30					

¹⁾ The issuer reserves the right to allocate shares in the manner it deems desirable to achieve the objectives of the offering, including rejecting subscriptions in whole or in part without special notice or justification.

Q&A



Questions to ir@flyplay.com

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