

PLAY Issues Convertible Bond Worth ISK 2.4 Billion

The airline PLAY has secured subscription commitments totalling USD 20 million, equivalent to approximately ISK 2.4 billion. The financing will take the form of a two-year convertible bond issuance. Among the participants in this round are the company's largest shareholders and other Icelandic investors. This marks a clear show of support for PLAY's continued development and the strategic changes announced to its business model:

- Strong offering of sun destinations and popular cities for Icelandic travellers
- Four aircraft operating flights from Iceland
- These four aircraft will remain red, operated by crew from Iceland under Icelandic collective agreements
- Six additional aircraft will be leased out for profitable projects with other airlines
- North American flights will cease as of October 2025, and the number of city destinations in Northern Europe will be reduced
- Operations will be conducted under a Maltese Air Operator Certificate, and the Icelandic AOC will be returned

At the same time, the previously announced takeover offer for all shares in Fly Play hf. has been withdrawn. Discussions with shareholders revealed a strong desire to keep PLAY's shares listed on the Main Market. As a result, the takeover group decided to abandon the offer and will continue to support the company in its next phase.

Einar Örn Ólafsson, CEO of PLAY:

"We had many constructive conversations with shareholders, who expressed a clear desire for the company to remain listed on the Main Market of the stock exchange. That's why we pursued this financing route instead. The company has now secured subscription commitments for a convertible bond totalling ISK 2.4 billion. This outcome is a clear vote of confidence in our plans and continued growth.

The response to our new business model has been very positive, and it's encouraging to see increased participation from institutional investors in this financing round.

We are already seeing the positive effects of our strategic shift on the company's operations. By focusing on profitable routes and leasing out aircraft for other airlines, we are building a strong and reliable airline that Icelanders will choose — and we are firmly continuing that path."