

INFORMATION MEMORANDUM

February 2024



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

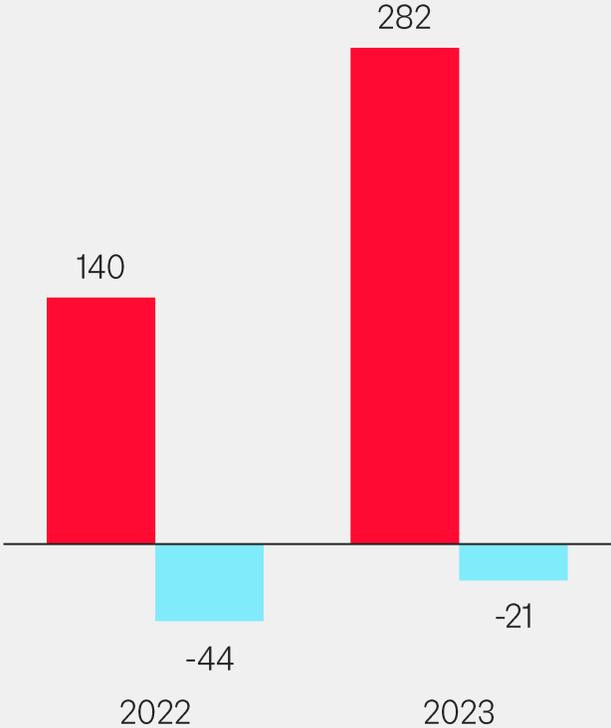
- › PLAY's routes becoming more mature
- › Ancillary revenue increased by 29% in 2023
- › Forward bookings showing increased RASK YoY

On the right path

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

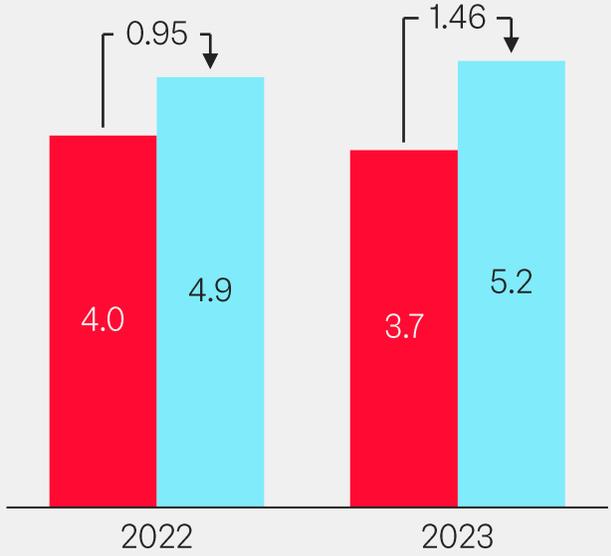
Revenue doubled and EBIT loss halved

Revenue (USD million)
EBIT (USD million)



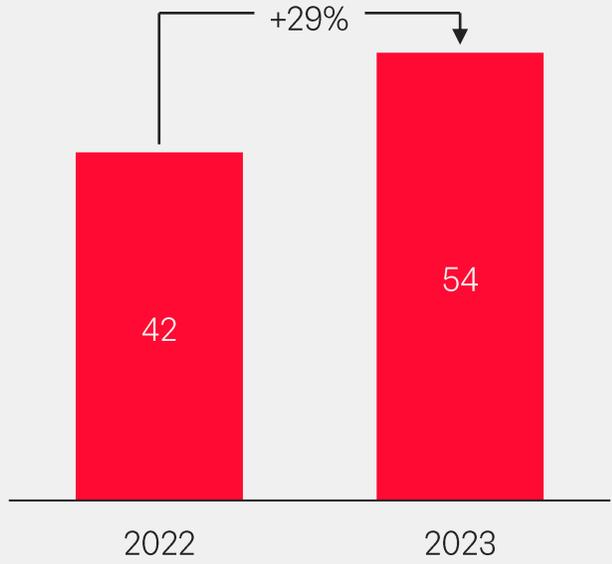
Capacity increased 89% while margin¹⁾ up 54%

Ex-Fuel CASK (\$ cent)²⁾
TRASK



Ancillary revenues growing

USD per pax



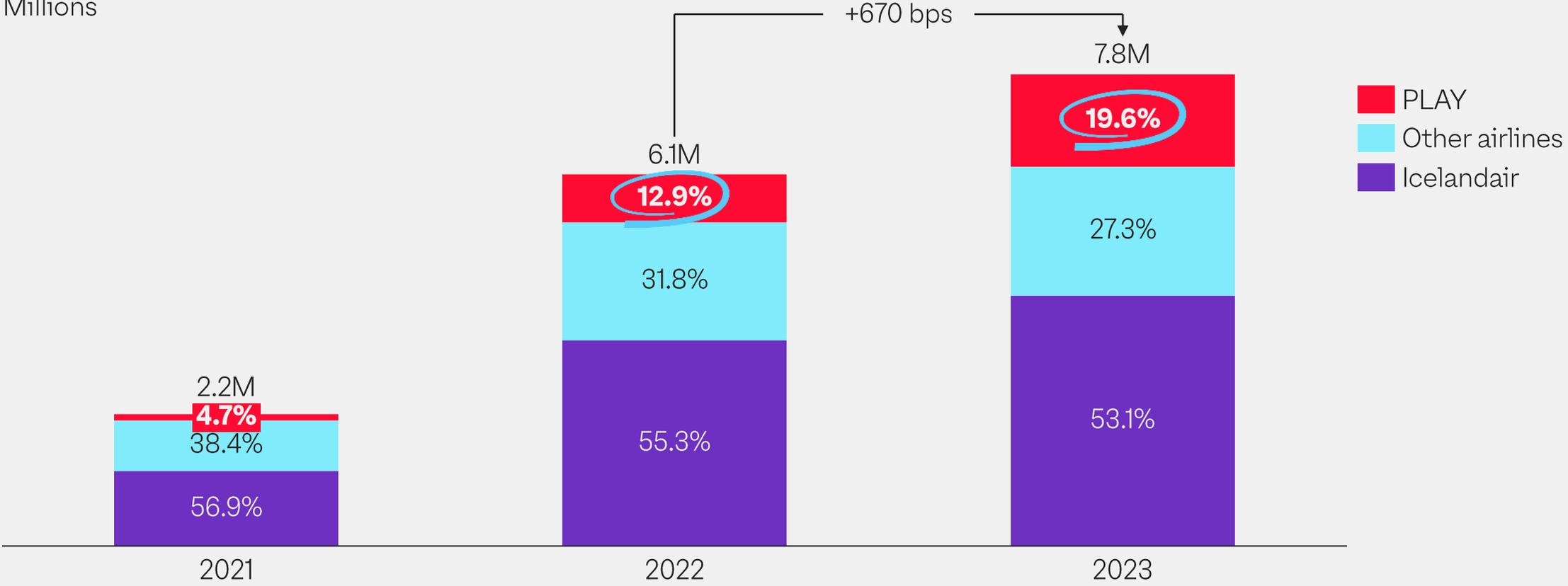
1) Margin = TRASK – Ex-Fuel CASK
2) PLAY’s official Ex-Fuel CASK is including de-icing costs

PLAY's cost basis is a driving force in increased market share at KEF

PLAY gained 6.7% market share in 2023, passengers flown increased by 92.7% YoY and capacity grew by 89% YoY

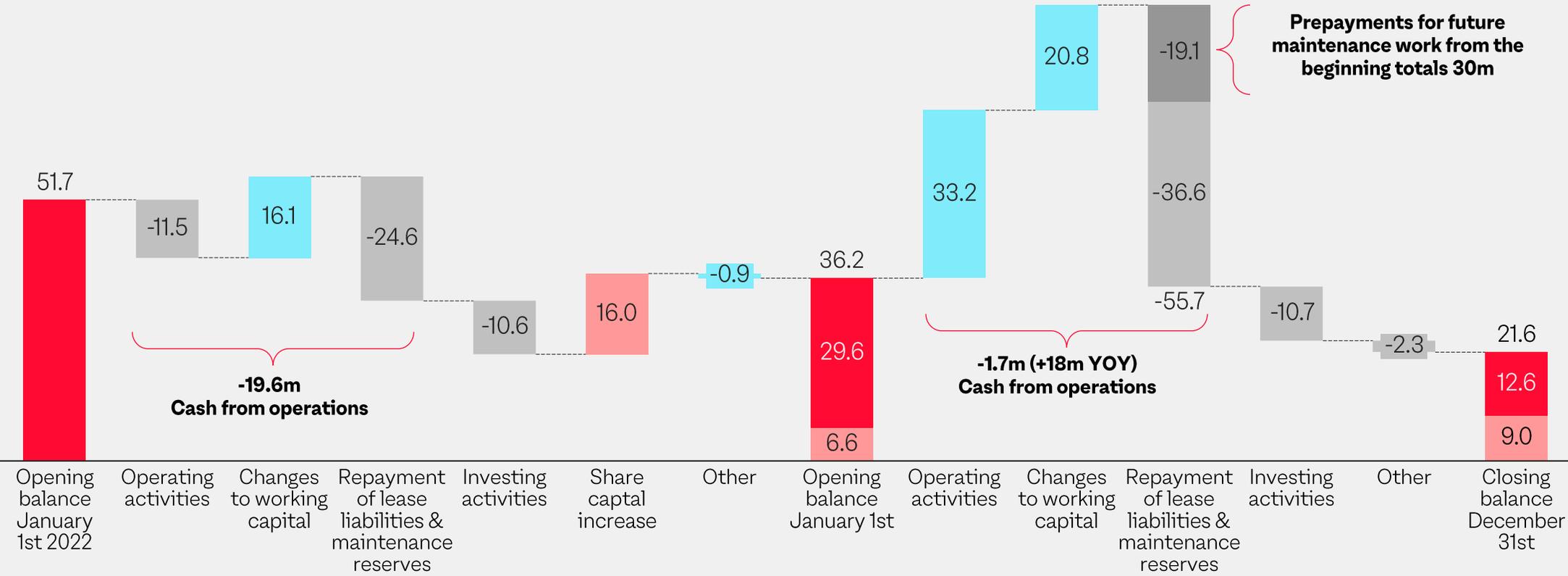
Total passengers in KEF split by airline

Millions



Cash flow from operations improved significantly

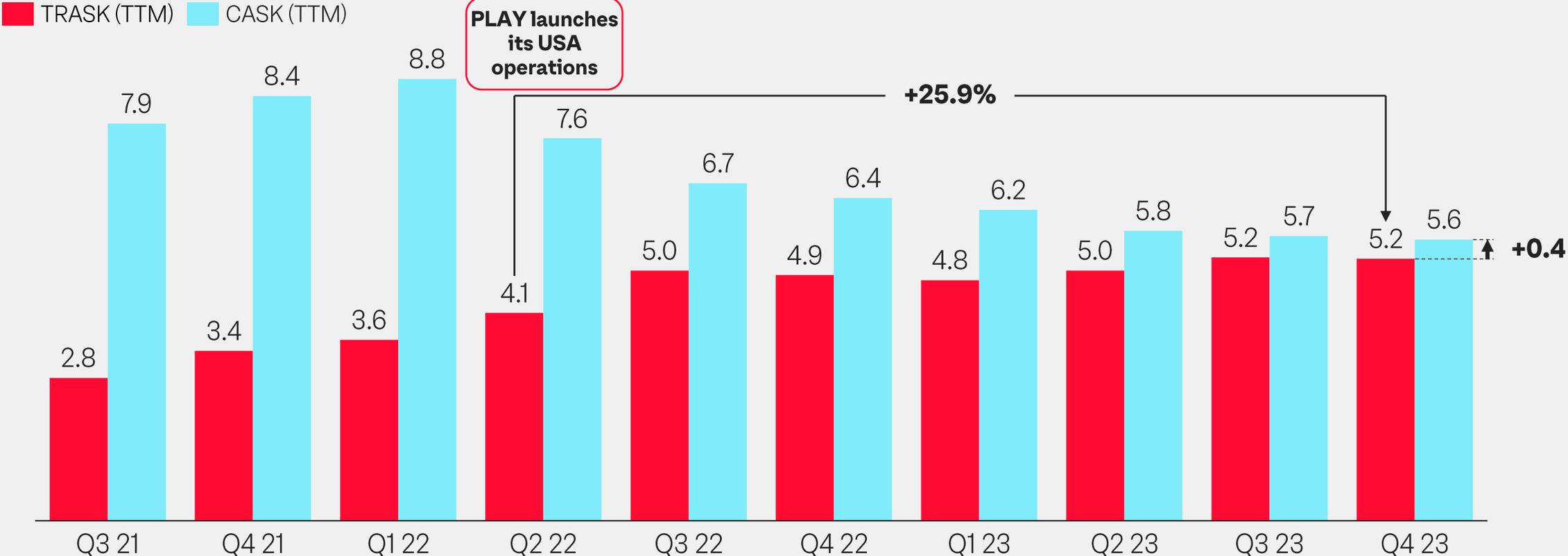
Despite 89% increase in capacity, cash flow from operations improved by **USD 18m in 2023** – Accumulative 30m in prepaid maintenance ensures predictability for future capital expenditure



Based on recent and forward RASK development, **profitability is close by...**

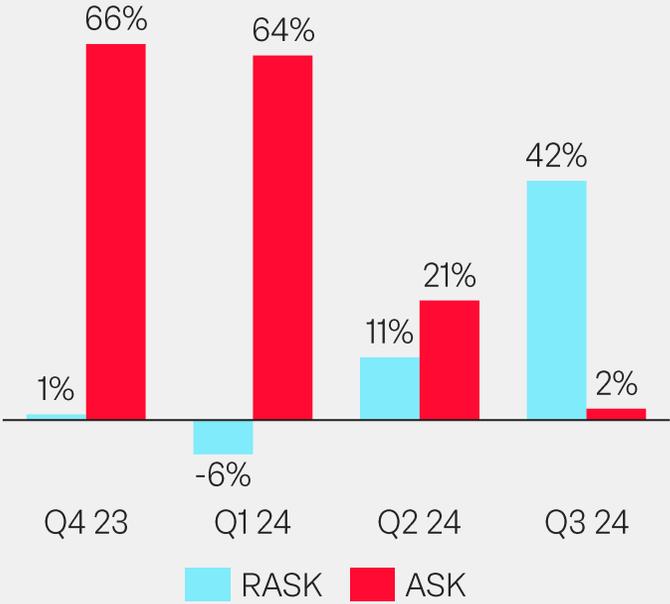
PLAY's network maturing resulting in improved revenue – Cost efficiency achieved with economy of scale & PLAY's low-cost culture

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



... We are seeing significant improvement in revenue generation...

... increase in forward RASK ¹⁾



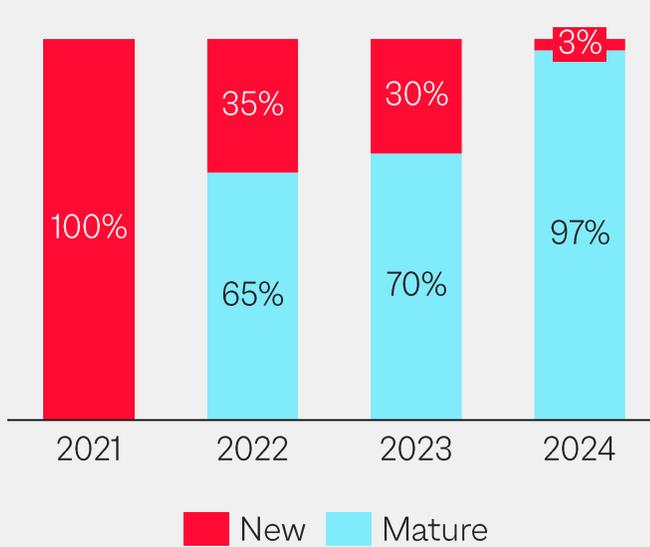
- › Forward RASK continues to improve heading into summer with both yield and higher load factor
- › Despite an increase in capacity each quarter, negative news coverage of seismic activity affected Q4 23 and Q1 24

... increase in travel agent bookings ¹⁾



- › Travel agent bookings yearly growth with expanded leisure schedule
- › Significant growth is aligned with increased awareness and relationship-building efforts abroad

... maturing network ²⁾



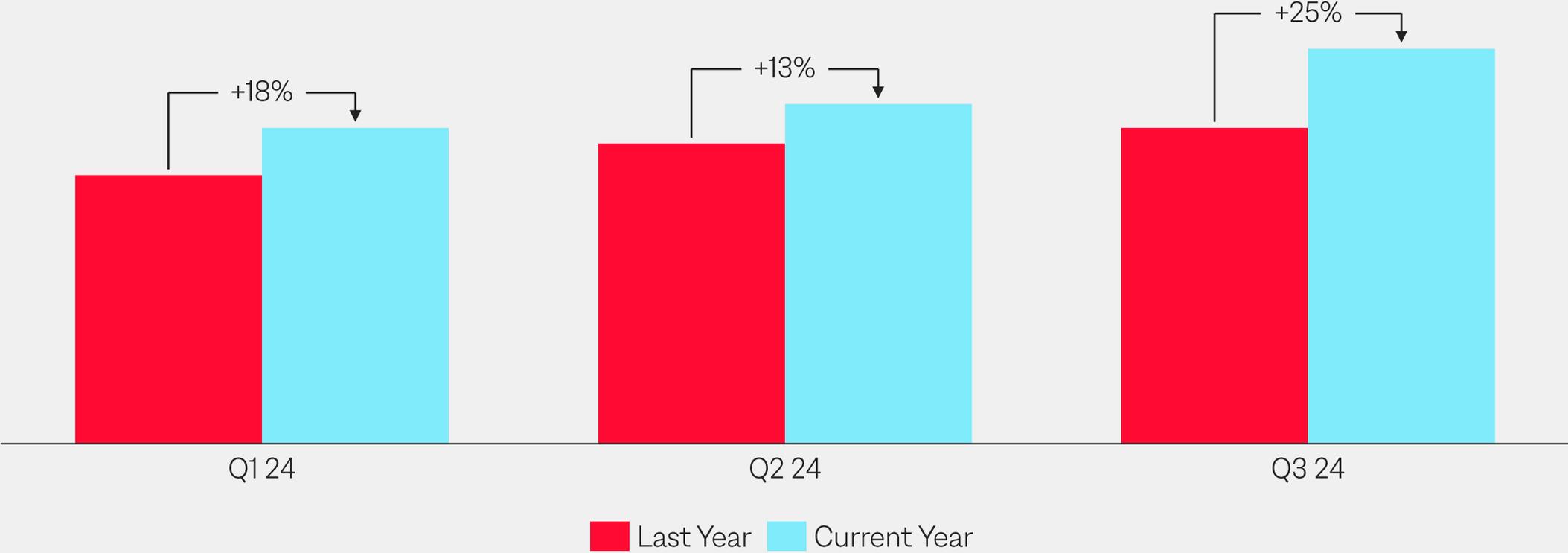
- › Only 3% of capacity on sale in summer 2024 is new
- › Unit revenue normally increases as markets mature due to increased awareness and our knowledge of each market improves

1) As of February 1st 2024
 2) Comparison is between June and August each year

... 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 passenger¹⁾

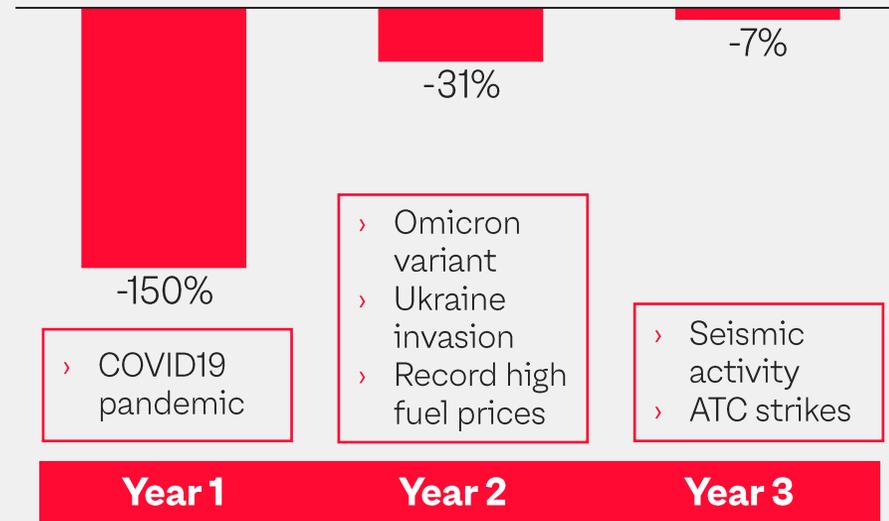


¹⁾ As of February 1st 2024. Only includes revenue from ancillary services sold online. Expecting further improvement closer to departure

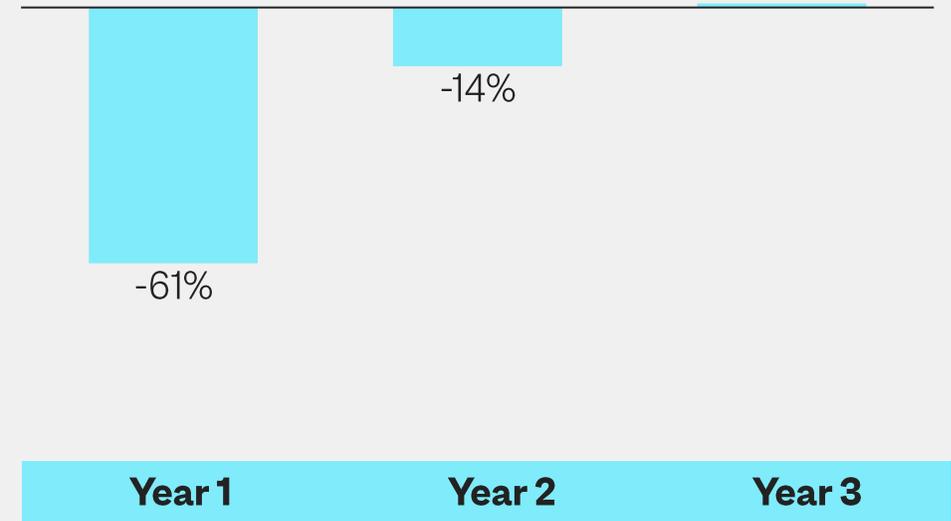
Our trajectory is not different to other successful startups

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
YoY Change in ASKs	-	+487%	+89%
Aircraft in fleet	3	6	10
Load Factor	53%	80%	83%
EBIT – USD³⁾	-25m	-44m	-21m

	Year 1	Year 2	Year 3
YoY Change in ASKs	-	+66%	+50%
Aircraft in fleet	6	8	10
Load Factor	60%	77%	81%
EBIT – USD³⁾	-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

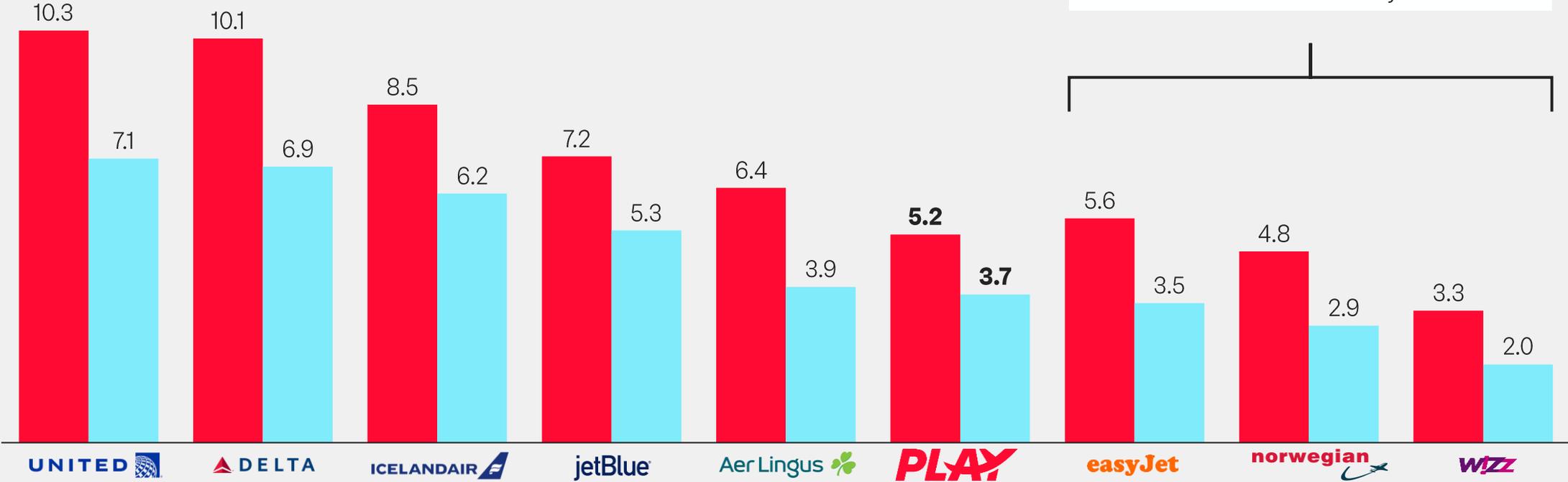
PLAY has the lowest Ex-Fuel CASK on the transatlantic – PLAY's forward-looking focus is on higher TRASK

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



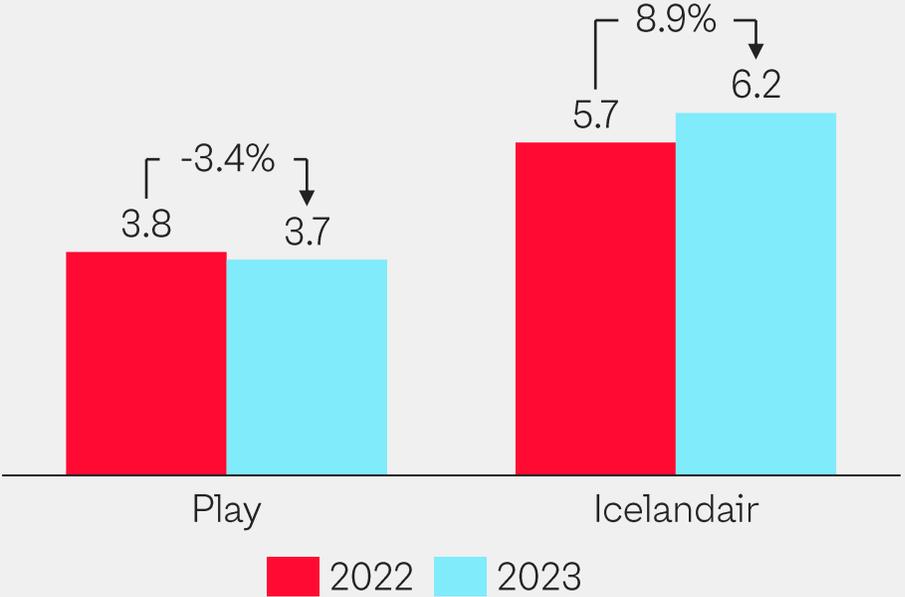
1) Icelandair's, JetBlue's, PLAY's and Wizz Air's CASK based on 12 months to 31 December 2023. EasyJet's, Aer Lingus' and Norwegian's based 12 months to 30 September 2023

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

PLAY's cost continues to decline, and revenue improve

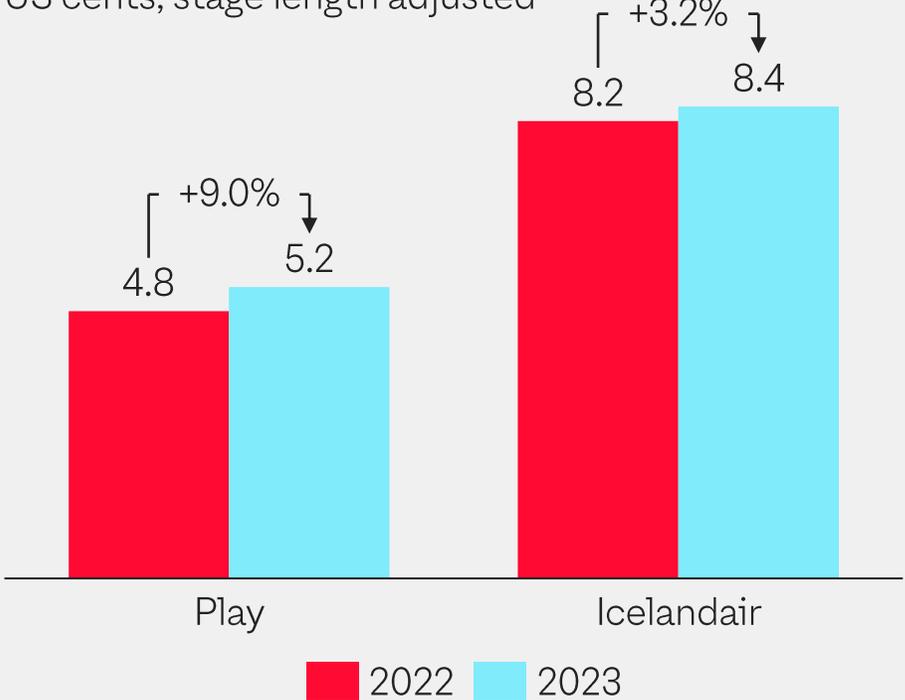
Ex-Fuel & de-icing CASK for PLAY and Icelandair ¹⁾

US cents, stage length adjusted



TRASK for PLAY and Icelandair

US cents, stage length adjusted



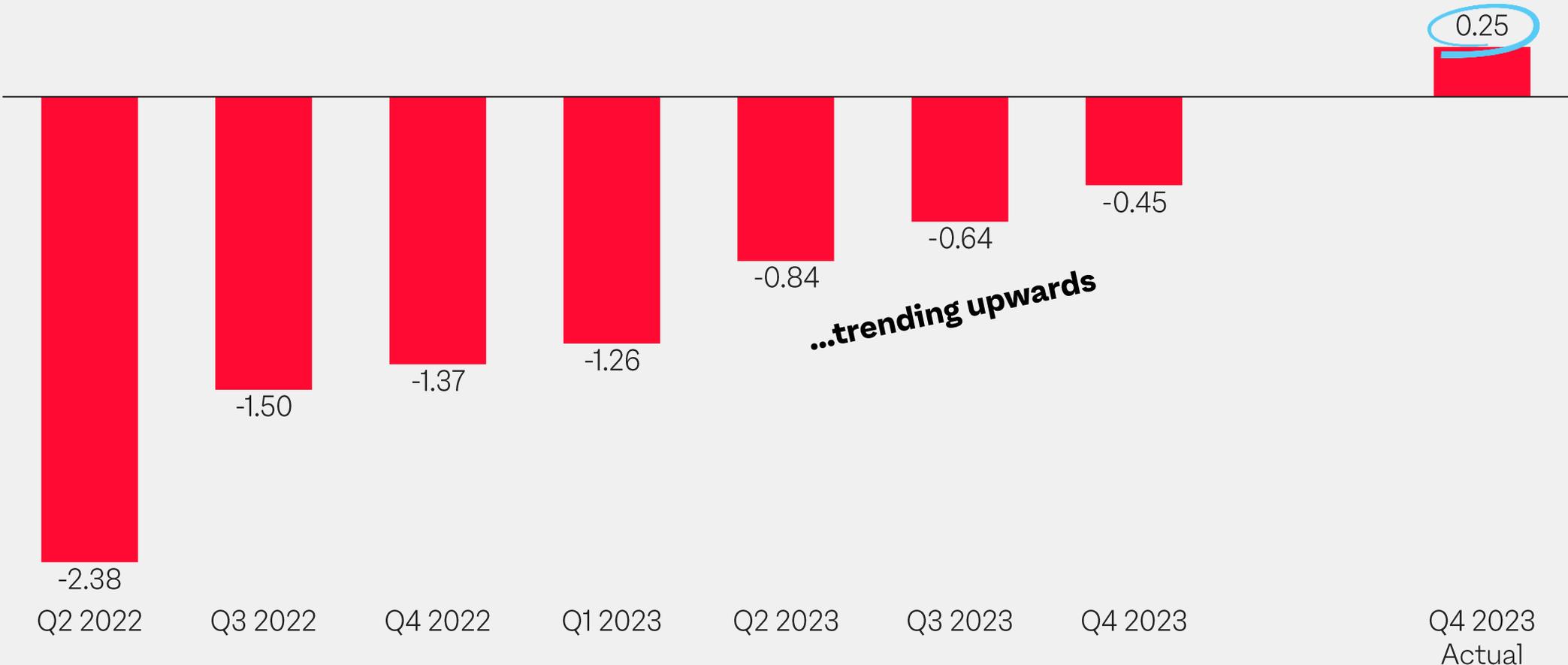
1) Icelandair's unit cost represents unit cost for the route network only as reported. PLAY's unit cost adjusted to Icelandair's average stage length

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

Vision 2029

18-20 aircraft

Competitive Ex-Fuel CASK

EBIT margin >10%

Revenue USD >750m

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