

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular or the action you should take, you are recommended to seek your own financial or professional advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial or professional adviser.**

If you sell or have sold or otherwise transferred all of your Ordinary Shares in the Company before 31 July 2023, please send this Circular, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this Circular and the accompanying Form of Proxy and you should consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

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## **WIZZ AIR HOLDINGS PLC**

*(incorporated and registered in Jersey with registered number 103356)*

### **PROPOSED PURCHASE OF 75 AIRBUS A321NEO AIRCRAFT**

**AND**

### **NOTICE OF GENERAL MEETING**

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This Circular should be read as a whole. Your attention is drawn to a letter to Shareholders from the Chairman of Wizz Air Holdings plc which is set out in Part 1: *“Letter from the Chairman”* of this Circular. The letter contains the unanimous recommendation of the Board that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Your attention is also drawn to Part 2: *“Risk Factors”* of this Circular for a discussion of certain factors which should be taken into account in considering the matters referred to in this Circular.

Notice of a General Meeting of the Company, to be held at 15:30 p.m. (CEST) (or as soon thereafter, as the 2023 AGM shall have been concluded or adjourned) on 2 August 2023 at Crowne Plaza Geneva, Avenue Louis-Casai 75-77, 1216 Geneva, Switzerland, is set out in Part 6: *“Notice of General Meeting”* of this Circular. A Form of Proxy for use at the General Meeting is enclosed. Please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon to the Company’s registrars, Computershare Investor Services (Jersey) Limited, at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom as soon as possible but in any event so as to arrive no later than 15:30 p.m. (CEST) on 31 July 2023 (48 hours before the time fixed for the start of the General Meeting not taking into account any day which is not a Business Day (as defined in the Company’s articles of association)). Forms of Proxy received after this time will be invalid. Please refer to the notes in Part 6: *“Notice of General Meeting”* for further details on appointing a proxy.

Should there be any changes to the arrangements for the General Meeting (including adjournment or postponement of the General Meeting), the Company will notify Shareholders via a regulatory information service announcement.

The 2023 AGM is being held on the same day as the General Meeting and at the same location. This document and the information contained herein relates only to the Proposed Purchase and the General Meeting. A separate notice of meeting in relation to the 2023 AGM has been posted to you.

This document is not a prospectus, but a shareholder circular, and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of an offer to sell, dispose of, issue, purchase, acquire or subscribe for, any security. This document is a circular which has been prepared in accordance with the Listing Rules and approved by the FCA.

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove, and which is authorised in the United Kingdom by the PRA and regulated by the PRA and the FCA, is acting as financial adviser exclusively for the Company and no one else in connection with the Proposed Purchase and will not regard any other person as its client in relation to the Proposed Purchase and will not be responsible to anyone other than the Company for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Proposed Purchase or any other matter or arrangement referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed on J.P. Morgan Cazenove by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, J.P. Morgan Cazenove accepts no responsibility whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, and nothing contained in this document is, or shall be, relied on as a promise or representation in this respect, whether as to the past or the future, in connection with the Company or the Proposed Purchase. J.P. Morgan Cazenove and its respective subsidiaries, branches and affiliates accordingly disclaim, to the fullest extent permitted by law, all and any duty, liability and responsibility whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement or otherwise.

### **Forward-looking statements**

Certain information contained or incorporated by reference in this Circular, including any information as to the Group's strategy, plans or future financial or operating performance constitutes "forward-looking statements". These forward-looking statements can be identified by the use of terminology such as "aims", "anticipates", "assumes", "believes", "budgets", "could", "contemplates", "continues", "estimates", "expects", "intends", "may", "plans", "predicts", "projects", "schedules", "seeks", "shall", "should", "targets", "would", "will" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements appear in a number of places throughout this Circular and include, but are not limited to, express or implied statements relating to the Group's business strategy and outlook, including (i) the effects on the Group's business, financial condition and operations of external factors, including changes in oil prices affecting fuel costs and the ongoing war between Russia and Ukraine, (ii) the Group's future results of operations, (iii) the Group's future financial and market positions, (iv) the Group's margins, profitability and prospects, (v) expectations as to future growth, (vi) the Group's ability to continue to grow its fleet of aircraft, (vii) general economic trends and other trends in the industry in which the Group operates, (viii) the Group's sustainability strategy and targets and (ix) the competitive environment in which the Group operates.

By their nature, forward-looking statements are based upon a number of estimates and assumptions that, whilst considered reasonable by the Directors, the Company or the Group, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those indicated, expressed or implied in such forward-looking statements. You are cautioned that forward-looking statements are not guarantees of future performance. Any forward-looking statements in this Circular or the information incorporated by reference in this Circular reflect the Directors', the Company's or the Group's current view with respect to future events and are subject to certain risks relating to future events and other risks, uncertainties and assumptions including, but not limited to (i) increases in fuel, carbon and labour costs, (ii) changing consumer preferences for air travel, (iii) inability to enter new markets or retain licences for current markets, (iv) failure to maintain

or establish attractive and profitable routes, (v) failure to compete effectively against other carriers, (vi) operational, safety, technical or personnel issues, (vii) inability to fund new aircraft deliveries, (viii) dependence on senior management and key personnel, (ix) regulatory changes in the EU, United Kingdom and internationally (including the ongoing commercial and regulatory arrangements between the United Kingdom and the EU following the United Kingdom's withdrawal from the EU), (x) continued weakness in economic conditions, (xi) mobility restrictions driven by a public health crisis, including the COVID-19 pandemic and (xii) external factors and geopolitical events including the ongoing war between Russia and Ukraine.

The forward-looking statements contained in this Circular speak only as at the date of this Circular. Subject to the requirements of applicable laws and regulations, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules, UK MAR and the Takeover Code, the Directors, the Company and the Group explicitly disclaim any intention or obligation or undertaking to publicly release the result of any revisions to any forward-looking statements made in this Circular that may occur due to any change in the Directors', the Company's or the Group's expectations or to reflect events or circumstances after the date of this Circular. Shareholders should note that the contents of the paragraphs relating to forward-looking statements are not intended to qualify the statements made as to the sufficiency of working capital in section 7 (*Working capital*) of Part 4: "*Additional information*" of this Circular.

Capitalised terms have the meaning ascribed to them in Part 5: "*Definitions*" of this Circular.

## TABLE OF CONTENTS

<i>Section</i>	<i>Page</i>
<b>CORPORATE DETAILS AND ADVISERS</b> .....	5
<b>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</b> .....	6
<b>PART 1 LETTER FROM THE CHAIRMAN</b> .....	7
<b>PART 2 RISK FACTORS</b> .....	18
<b>PART 3 SUMMARY OF THE TERMS AND CONDITIONS OF THE EXISTING NEO PURCHASE AGREEMENT, THE 2021 NEO PURCHASE AGREEMENT AMENDMENT AND THE 2022 NEO PURCHASE AGREEMENT AMENDMENT</b> .....	27
<b>PART 4 ADDITIONAL INFORMATION</b> .....	30
<b>PART 5 DEFINITIONS</b> .....	45
<b>PART 6 NOTICE OF GENERAL MEETING</b> .....	52

## CORPORATE DETAILS AND ADVISERS

<b>Directors</b>	William A. Franke ( <i>Chairman</i> ) József Váradi ( <i>Chief Executive Officer</i> ) Charlotte Andsager ( <i>Non-Executive Director</i> ) Enrique Dupuy de Lome Chavarri ( <i>Non-Executive Director</i> ) Andrew S. Broderick ( <i>Non-Executive Director</i> ) Barry Eccleston ( <i>Non-Executive Director and Senior Independent Director</i> ) Anna Gatti ( <i>Non-Executive Director</i> ) Stephen L. Johnson ( <i>Deputy Chair and Non-Executive Director</i> ) Charlotte Pedersen ( <i>Non-Executive Director</i> ) Dr. Anthony Radev ( <i>Non-Executive Director</i> ) Phit Lian Chong ( <i>Non-Executive Director</i> )
<b>Senior Managers</b>	Florina Avadanei ( <i>Revenue Officer departing</i> ) Janos Pal ( <i>Revenue Officer from 13 July 2023</i> ) Robert Carey ( <i>President</i> ) Michael Delehant ( <i>Executive Vice President and Group Chief Operations Officer</i> ) Johan Eidhagen ( <i>Managing Director, Wizz Air Abu Dhabi</i> ) Marion Geoffroy ( <i>Managing Director, Wizz Air UK</i> ) Joel Goldberg ( <i>Chief Digital Officer</i> ) Heiko Holm ( <i>Officer, Wizz Air Central Operations</i> ) Owain Jones ( <i>Executive Vice President and Group Chief Corporate Affairs Officer</i> ) Veronika Jung ( <i>Group People Officer</i> ) Ian Malin ( <i>Executive Vice President and Group Chief Financial Officer</i> ) Yvonne Moynihan ( <i>Corporate and ESG Officer</i> ) Diarmuid O'Conghaile ( <i>Managing Director, Wizz Air Malta</i> ) Zsuzsanna Poós ( <i>Chief Customer and Marketing Officer</i> ) Roland Tischner ( <i>Officer, Wizz Air Hungary Operations</i> ) Silvia Mosquera ( <i>Executive Vice President and Chief Commercial Officer from 13 July 2023</i> )
<b>Company Secretary</b>	Intertrust Corporate Services (Jersey) Limited 44 Esplanade, St Helier Jersey JE4 9WG
<b>Registered office</b>	44 Esplanade St Helier JE4 9WG Jersey
<b>Sponsor</b>	J.P. Morgan Securities plc 25 Bank Street London E14 5JP United Kingdom
<b>Legal adviser to the Company as to English law</b>	Cooley (UK) LLP 22 Bishopsgate London EC2N 4BQ United Kingdom
<b>Legal adviser to the Company as to Jersey law</b>	Ogier (Jersey) LLP 44 Esplanade, St. Helier Jersey JE4 9WG
<b>Registrars</b>	Computershare Investor Services (Jersey) Limited 13 Castle Street, St. Helier Jersey JE1 1ES

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and date</i>
Latest time and date for receipt of the Form of Proxy .....	15:30 p.m. (CEST) on 31 July 2023
General Meeting. ....	15:30 p.m. (CEST) on 2 August 2023*
Announcement of the results of the General Meeting. ....	2 August 2023

\* Or as soon thereafter, as the 2023 AGM shall have been concluded or adjourned.

### Notes:

- (1) Future dates are indicative only and are subject to change by the Company, in which event details of the new times and dates will be notified to the FCA and, where appropriate, to Shareholders.
- (2) References to time in this timetable and the Circular are to Central European Summer Time, unless otherwise stated.

# PART 1

## LETTER FROM THE CHAIRMAN

**Wizz Air Holdings Plc**  
Company Number: 103356  
44 Esplanade  
St. Helier JE4 9WG  
Jersey



### Directors

William A. Franke	(Chairman)
József Váradi	(Chief Executive Officer)
Charlotte Andsager	(Non-Executive Director)
Enrique Dupuy de Lome Chavarri	(Non-Executive Director)
Andrew S. Broderick	(Non-Executive Director)
Barry Eccleston	(Non-Executive Director and Senior Independent Director)
Anna Gatti	(Non-Executive Director)
Stephen L. Johnson	(Deputy Chair and Non-Executive Director)
Charlotte Pedersen	(Non-Executive Director)
Dr. Anthony Radev	(Non-Executive Director)
Phit Lian Chong	(Non-Executive Director)

14 July 2023

Dear Shareholder,

### PROPOSED PURCHASE OF 75 AIRBUS A321NEO AIRCRAFT

### NOTICE OF GENERAL MEETING

#### 1. INTRODUCTION

On 15 September 2022, Wizz Air announced that it had given notice to Airbus to exercise the Purchase Rights in relation to 75 Airbus A321neo Aircraft. The Purchase Rights were exercised pursuant to a side letter agreement to the 2021 NEO Purchase Agreement Amendment under which Wizz Air agreed to purchase from Airbus 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and, under certain circumstances, up to a further 19 Airbus A321neo Family Aircraft. The purchase of these aircraft was approved by Shareholders at a general meeting of the Company held on 22 February 2022, details of which were set out in the 2022 Circular.

At 2018 aircraft average list prices for the Airbus A321neo Aircraft (the latest year for which Airbus has published list prices), the Proposed Purchase of the 75 Purchase Option Aircraft is worth approximately US\$9.71 billion. Airbus has not published any list prices for its aircraft since 2018. Wizz Air Hungary has confidentiality obligations to Airbus under the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment that prevent it from publicly disclosing any information relating to the pricing of the aircraft, including any reference or base price.

The principal terms and conditions of the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment are summarised in paragraph 5 (*The Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment*) of this letter and in Part 3: “*Summary of the terms and conditions of the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment*” of this Circular. The Board considers that the terms of the Proposed Purchase are in the best interests of the Company and its Shareholders as a whole.

Given the size of the list price commitments for the Purchase Option Aircraft relative to the Company, the Proposed Purchase constitutes a “class 1 transaction” under the Listing Rules and therefore completion of the Proposed Purchase is conditional upon the Company obtaining Shareholder approval. This approval will be sought at a General Meeting of the Company to be held at 15:30 p.m. (CEST) (or as soon thereafter, as the 2023 AGM shall have been concluded or adjourned) on 2 August 2023 at Crowne Plaza Geneva, Avenue Louis-Casai 75-77, 1216 Geneva, Switzerland.

Notice of the General Meeting is set out in Part 6: “*Notice of General Meeting*” of this Circular. The Resolution being proposed seeks approval of the terms of the Proposed Purchase. A summary of the action you should take is set out in paragraph 10 (*Action to be taken*) of this letter.

The purpose of this Circular is to provide you with information on the terms of the Proposed Purchase, to explain the background to and reasons for the Proposed Purchase and why the Directors believe the Proposed Purchase is in the best interests of Shareholders taken as a whole, and to recommend that you vote in favour of the Resolution as the Directors intend to do in respect of the Ordinary Shares they hold in the Company’s issued share capital.

You should read the whole of this Circular and not rely solely on the summarised information set out in this letter.

## **2. BACKGROUND TO AND REASONS FOR THE PROPOSED PURCHASE**

On 11 September 2015, Wizz Air announced that it had signed, subject to shareholder approval, the Existing NEO Purchase Agreement, relating to the purchase of 110 Airbus A321neo Aircraft. The purchase of 110 Airbus A321neo Aircraft pursuant to the Existing NEO Purchase Agreement was approved by Shareholders at a general meeting held on 3 November 2015. The Airbus A321neo Aircraft, the subject of the Existing NEO Purchase Agreement, are contracted to be delivered between January 2019 and December 2024 with 77 Airbus A321neo Aircraft and six Airbus A320neo Aircraft having been delivered to date.

On 29 December 2017, Wizz Air announced that it had signed, subject to shareholder approval, the 2017 NEO Purchase Agreement Amendment relating to the purchase of a further 146 Airbus A320neo Family Aircraft (comprised of 72 Airbus A320neo Aircraft and 74 Airbus A321neo Aircraft) for delivery between 2021 and 2026. The purchase of 146 Airbus A320neo Family Aircraft pursuant to the 2017 NEO Purchase Agreement Amendment was approved by Shareholders at a general meeting held on 30 January 2018. To date, Wizz Air has taken delivery of 12 Airbus A321neo Aircraft under the 2017 NEO Purchase Agreement Amendment.

On 12 September 2019, Wizz Air entered into, subject to shareholder approval, the 2019 NEO Purchase Agreement Amendment relating to the purchase of 20 Airbus A321XLR Aircraft. The purchase of the 20 Airbus A321XLR Aircraft pursuant to the 2019 NEO Purchase Agreement Amendment was approved by Shareholders at a general meeting held on 30 October 2019. These aircraft are scheduled to be delivered between 2024 and 2028.

On 14 November 2021, Wizz Air entered into, subject to shareholder approval, the 2021 NEO Purchase Agreement Amendment relating to the purchase of 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and, to the extent offered by Airbus and accepted by Wizz Air Hungary and/or another member of the Group, up to a further 19 Airbus A321neo Family Aircraft. The purchase of the 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and, to the extent offered by Airbus and accepted by Wizz Air Hungary and/or another member of the Group, up to a further 15 Airbus A321neo Family Aircraft pursuant to the 2021 NEO Purchase Agreement Amendment was approved by Shareholders at the 2022 General Meeting. These aircraft are scheduled to be delivered between 2022 and 2028. To date, Wizz Air has taken delivery of three Airbus A321neo Aircraft under the 2021 NEO Purchase Agreement Amendment. Due to the expiry on 31 December 2021 and 31 December 2022 of the right of first refusal in respect of four and nine aircraft, respectively, out of the up to 19 additional Airbus A321neo Family Aircraft offered by Airbus under the 2021 NEO Purchase Agreement Amendment, Wizz Air currently has a right of first refusal in respect of an additional six Airbus A321neo Family Aircraft pursuant to the 2021 NEO Purchase Agreement Amendment.

With the 75 Purchase Option Aircraft to be acquired pursuant to the Proposed Purchase, Wizz Air's delivery backlog comprises a firm order for 13 Airbus A320neo Aircraft, 295 Airbus A321neo Aircraft and 47 Airbus A321XLR Aircraft. Including the up to six additional Airbus A321neo Aircraft to the extent offered by Airbus and accepted by Wizz Air Hungary and/or another member of the Group pursuant to the 2021 NEO Purchase Agreement Amendment, this is a total of 361 aircraft.

After over four years in service with Wizz Air, the Directors believe that the Airbus A321neo Aircraft continues to provide market-leading aircraft technology and choice. The Directors believe that these aircraft are the most fuel and cost-efficient aircraft in their class, supporting Wizz Air in maintaining its position as having the lowest CO2 emissions per passenger kilometre in Europe and reaching its sustainability goals of reducing CO2 emissions per passenger kilometre by 25% between FY 2020 and FY 2030. The Group's current average aircraft age is 4.4 years; the acquisition of the Purchase Option Aircraft will see this average aircraft age drop to 3.3 years by 2028. The further long-term supply of additional aircraft provided for by the acquisition of the Purchase Option Aircraft will help Wizz Air towards its stated aim of being a 500 aircraft group and a market-leader in terms of sustainability.

The 75 Purchase Option Aircraft will be delivered during 2028 and 2029. If approved, the purchase of the Purchase Option Aircraft will result in a 14.3% compound annual growth rate in the number of aircraft and a 15.7% compound annual growth rate in seat capacity in the period of seven calendar years from 2023 to 2029.

If the Proposed Purchase is not approved, then the Board believes that Wizz Air's ability to achieve its sustainability goals of reducing CO2 emissions per passenger kilometre by 25% between FY 2020 and FY 2030, to take advantage of opportunities to further expand its network and connect destinations that are currently out of reach, and to increase its competitive advantage by further reducing CASK, will be negatively impacted.

### **3. INDUSTRY LANDSCAPE AND WIZZ AIR'S POSITION**

The European short-haul market is supplied by full-service carriers and a generally younger group of low-cost airlines. Low-cost airlines such as Wizz Air benefit from a straightforward business model; high aircraft utilisation and staff productivity rates mean that Wizz Air benefits from lower costs than its legacy rivals (national flag carriers and charter airlines). Wizz Air's ultra-low-cost model gives it a clear cost advantage versus most of its rivals, including many other low-cost airlines, and as a result it is able to stimulate the market with very low fares and sustain a relatively high growth rate compared to other airlines. Key elements of Wizz Air's ultra-low-cost business model include its operation of a uniform and efficient modern fleet of narrow-body aircraft in a high-density, all-economy seating layout, high aircraft utilisation (of more than 12 hours per day per aircraft) and its point-to-point network operating mainly from less congested secondary airports that typically charge lower fees, high load factors, use of scalable outsourced services, consumer-direct distribution over the internet, high employee productivity and rigorous cost control.

Wizz Air's growth rate has also been a function of the market in which it operates. The majority of Wizz Air's routes connect to CEE countries where economic growth, and therefore growth in demand for air travel, has generally been stronger than in Western Europe (Source: International Monetary Fund). The propensity for air travel – the number of seats per head of population – in CEE has increased significantly over recent years and as a result Wizz Air has grown to be not only the largest low-cost airline in CEE but also the third largest independent low-cost airline in Europe after Ryanair and easyJet as measured by the number of seats available for purchase (Source: Innovata/CIRIUM). Although the average European propensity for air travel was 1.6 in the year ended 31 December 2019 (the last full calendar year prior to the COVID-19 pandemic), in the CEE region and Western Europe it was approximately 0.3 and 3.5 respectively in the year ended 31 December 2019 (Source: Innovata/CIRIUM). In addition, the low-cost market experienced a higher growth in the year ended 31 December 2019 in CEE with 9% growth compared to 3% in Western Europe (Source: Innovata/CIRIUM). Europe's share of global revenue passenger kilometres (RPK) (calculated by multiplying the number of revenue-paying passengers aboard an aircraft by the distance the aircraft travelled), a measure of passenger demand in a given market, has increased from 27.2% in 2019 to 31.0% in 2022 (Source: IATA). Wizz Air continues to be the market leader in its core CEE market,

while continuing to make investments in the Middle East, where the propensity for air travel is lower than in CEE and significantly lower than Western Europe. Wizz Air believes this to be a significant market opportunity leading to compelling growth prospects for Wizz Air.

The airline industry suffered one of the largest impacts due to the COVID-19 pandemic. Coming out of the worst of the COVID-19 pandemic, the war between Russia and Ukraine pushed energy and food prices significantly higher which prompted policy tightening by central banks around the world, in turn constituting significant headwinds for the global economy and for aviation. Notwithstanding this economic backdrop, the recovery of the airline industry is well underway and demand for air travel has remained solid during calendar years 2021 and 2022. The IATA expects the airline industry as a whole to recover to pre-COVID-19 levels in 2024 and the airline industry in the EMEA region to return to overall profitability in 2023. In addition, it is forecast by the IATA that between 2019 and 2040, air passenger numbers will increase at an average annual rate of 3.3%, rising to almost 8 billion passenger journeys per year at the end of the period. Furthermore, Eurocontrol, the European Organisation for the Safety of Air Navigation, has reported that low-cost carriers are leading Europe's recovery, consistently outperforming mainline and regional carriers, closing 2022 with a market share of 32.3% (slightly behind mainline carriers (32.4%)).

Eurocontrol forecasts that European air traffic will reach pre-COVID-19 numbers of flights (11.1 million flights per year) by 2025 and that, post-2025, flight growth is expected to average 1.5% per year to reach 11.8 million flights in 2029 in a baseline scenario subject to certain assumptions, including the restrictions on Ukrainian, Russian, Belarussian and Moldovan airspaces remaining until 2029, the continued post-pandemic recovery and environmental pressures causing governments to impose higher taxes on domestic flights (for example, to encourage rail travel). Airbus' 2022-2041 Global Market Forecast predicts that travel between Central Europe (as defined in the forecast) and Western Europe measured by RPK will experience a compound annual growth rate of 4.8% during the period between 2019 and 2041.

Accession to the EU for a number of Eastern European countries over the past 20 years has led to, and is expected to continue to lead to, significant migration from those countries to Western Europe. This migration leads to travel from countries in CEE to Western Europe for the initial move and also passengers who are visiting friends and relatives with people travelling back and forth between Western Europe and CEE.

As with all airlines in Europe, the outcome of the United Kingdom's Brexit referendum has caused significant uncertainty for Wizz Air's business. Notwithstanding that the United Kingdom formally left the EU on 31 January 2020, there continues to be a level of uncertainty on how the UK and the EU will foster commercial relationships going forward. Wizz Air has continued a dialogue with various authorities to ensure that there is a general understanding of the need to maintain access to the liberalised market. To ensure that Wizz Air is able to continue to fly a number of routes from the United Kingdom to destinations outside the EU, as well as to enable Wizz Air to capitalise on any consolidation opportunities that might arise in the United Kingdom, the Company has established Wizz Air UK, an airline licensed in the United Kingdom. Wizz Air UK received its Air Operator's Certificate and Operating Licence and started operating on 3 May 2018, further demonstrating Wizz Air's commitment to Europe's single largest aviation market. As well as being part of the Company's Brexit contingency strategy, Wizz Air UK also presents the Company with additional commercial opportunities arising from any future consolidation in the United Kingdom airline market. The Board believes that diversification of Wizz Air's network and markets is a key part of a sustainable business strategy and the Board remains confident that CEE is a large addressable market which will continue to provide opportunities for profitable growth should Wizz Air's UK business be adversely affected.

The table below sets out certain key capacity and operating data and financial measures for Wizz Air for FY 2021, FY 2022 and FY 2023. Due to the increase in demand throughout the year as more people returned to flying, encouraged by the first year without COVID-19 travel restrictions, Wizz Air's FY 2023 revenue increased by 134.2% from FY 2022, however the Group incurred a net loss of €535.1 million for FY 2023.

	FY 2021	FY 2022	FY 2023
<b>Capacity</b>			
Number of aircraft at end of period .....	137	153	179
Equivalent aircraft .....	129.7	143.5	163.8
Aircraft utilisation (hh:mm) .....	4:13	7:44	11:08
Total block hours .....	195,601	405,556	666,476
Total flight hours .....	172,469	354,461	580,863
Revenue departures .....	80,820	167,313	267,707
Average departures per day per aircraft .....	1.71	3.20	4.48
Seat capacity .....	15,927,709	34,682,368	58,190,317
Average aircraft stage length (km) .....	1,604	1,605	1,680
Total ASKs ('000 km) .....	<u>25,551,625</u>	<u>55,655,292</u>	<u>97,779,087</u>
<b>Operating Data</b>			
RPKs (revenue passenger kilometres) ('000 km) .....	16,691,569	43,679,179	86,807,338
Load factor (%) .....	64.0	78.1	87.8
Number of passenger segments .....	10,186,077	27,128,160	51,071,836
Fuel price (US\$ per ton, including hedging impact and into-plane premium) .....	674	789	1,218
Foreign exchange rate (US\$/€ including hedging impact) .....	1.17	1.16	1.04
<b>Financial Measures (for the airline only)</b>			
Yield (revenue per RPK, € cents) .....	4.43	3.81	4.49
Average revenue per seat (€) .....	46.4	44.96	66.95
Net fare (total revenue/passenger segments) (€) .....	72.5	61.44	76.28
RASK (€ cents) .....	2.89	2.98	3.98
CASK (€ cents) (excluding exceptional items) .....	4.85	3.98	4.58
Ex-fuel CASK (€ cents) (excluding exceptional items) .....	3.86	2.81	2.58
Operating profit margin (%) (excluding exceptional expense)	(58.8)	(28.2)	(12.0)

*Source: All measures for FY 2021 to FY 2023 in the table above have been extracted without material adjustment from the Company's annual report and accounts for the respective financial years. All measures are unaudited. Utilisation (block hours per aircraft per day), revenue departures, seat capacity, total ASKs and net fare (previously reported as total revenue per seat) for FY 2022 were restated in the 2023 Annual Report and Accounts.*

The Proposed Purchase supports Wizz Air's further growth and strategy to maintain an industry-leading cost base, a young, best-in-class fleet and a focus on the growth markets of CEE.

#### 4. FLEET PLAN

The contracted base case delivery stream under the Existing NEO Purchase Agreement as amended by, *inter alia*, (i) the 2017 NEO Purchase Agreement Amendment to provide for the purchase of the additional 146 Airbus A320neo Family Aircraft, (ii) the 2019 NEO Purchase Agreement Amendment to provide for the purchase of 20 Airbus A321XLR Aircraft, (iii) the 2021 NEO Purchase Agreement Amendment to provide for the purchase of 102 Airbus A321 Aircraft (comprised of 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft), and (iv) the 2022 NEO Purchase Agreement Amendment to provide for the purchase of 75 Airbus A321neo Aircraft is as set out in the table below. This base case delivery stream represents a 14.3% compound annual growth rate in the number of aircraft and a 15.7% compound annual growth rate in seat capacity in the period of seven calendar years from 2023 to 2029.

<b>Total Fleet (end of period)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
A320ceo .....	40	23	12	8	0	0	0
A321ceo .....	41	39	30	17	7	0	0
A320neo .....	6	6	6	19	19	19	19
A321neo .....	109	142	207	248	300	346	385
A321XLR .....	0	1	8	20	33	47	47
<b>Total number of units .....</b>	<b>196</b>	<b>211</b>	<b>263</b>	<b>312</b>	<b>359</b>	<b>412</b>	<b>451</b>
<b>Net growth<sup>(1)(2)</sup> (unit) .....</b>	<b>19</b>	<b>15</b>	<b>52</b>	<b>49</b>	<b>47</b>	<b>53</b>	<b>39</b>

**Notes:**

(1) Net growth represents total deliveries of aircraft less returns.

(2) The table excludes the up to six additional Airbus A321neo Family Aircraft in respect of which Wizz Air has a right of first refusal.

**5. THE EXISTING NEO PURCHASE AGREEMENT, THE 2021 NEO PURCHASE AGREEMENT AMENDMENT AND THE 2022 NEO PURCHASE AGREEMENT AMENDMENT**

**General**

The Existing NEO Purchase Agreement was originally entered into by Wizz Air Hungary and Airbus on 11 September 2015. It was amended, *inter alia*, pursuant to (i) the 2017 NEO Purchase Agreement Amendment on 29 December 2017 to provide for the purchase of an additional 146 Airbus A321neo Family Aircraft, (ii) the 2019 NEO Purchase Agreement Amendment on 12 September 2019 to provide for the purchase of an additional 20 Airbus A321XLR Aircraft, (iii) the 2021 NEO Purchase Agreement Amendment on 14 November 2021 to provide for the purchase of an additional 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and a right of first refusal in respect of a further 19 Airbus A321neo Family Aircraft, and (iv) the 2022 NEO Purchase Agreement Amendment on 7 December 2022 to provide for the purchase of the 75 Purchase Option Aircraft. The 2021 NEO Purchase Agreement included the Purchase Option Aircraft Letter Agreement pursuant to which Wizz Air has exercised its right to acquire the 75 Purchase Option Aircraft. The terms and conditions of the Proposed Purchase of the Purchase Option Aircraft are contained in the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment. Further details of the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment are contained in Part 3: “*Summary of the terms and conditions of the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment*” of this Circular.

**Price**

The Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment were each negotiated and entered into with adherence to customary business and industry practice. The actual price for the Purchase Option Aircraft, determined after an arm's length negotiation between the parties, is lower than the 2018 aircraft average list price for an Airbus A321neo Aircraft, as noted below, as provided by Airbus because of certain price concessions with regard to the aircraft. These will take the form of credit memoranda to Wizz Air Hungary for the amount of such concessions, which Wizz Air Hungary may apply toward payments in respect of the purchase of the Purchase Option Aircraft or towards the purchase of goods and services from Airbus.

Each of the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment contain confidentiality provisions restricting, among other things, disclosure of the actual price of the aircraft. In addition, consistent with the customary practice of the global aviation industry, the price for the acquisition of aircraft is not customarily disclosed to the public. Disclosure of the price would result in the loss of the significant price concessions and hence would have a significant negative impact on the cost incurred by Wizz Air Hungary in acquiring the Purchase Option Aircraft and would therefore not be in the interest of the Company and Shareholders as a whole.

Airbus has not published a list price for any of its aircraft since 2018. The 2018 aircraft average list price for an Airbus A321neo Aircraft was US\$129.5 million. The Directors confirm that the final negotiated price for the Purchase Option Aircraft represents a very substantial discount from the 2018 aircraft average list price for an Airbus A321neo Aircraft.

The final price of each Purchase Option Aircraft is determined on the same terms as contracted under the 2021 NEO Purchase Agreement Amendment and depends on design weights and engine choice and is subject to increases including: (i) the cost of “Buyer-furnished” equipment which the Company has asked Airbus to install on the aircraft; (ii) price escalation, which will be applied to the airframe base price, the engine option base price and the price of specification change notices by applying a formula reflecting increases in the published relevant labour and material indices between the time the aircraft base price was set and the delivery of such aircraft; and (iii) taxes. Wizz Air Hungary is responsible for the payment of any taxes (including VAT) except for taxes relating to the manufacture of the aircraft in France and/or Germany and/or China which will be payable by Airbus. Price escalation for the Purchase Option Aircraft is subject to price protection mechanisms limiting the price increases for Wizz Air Hungary. Price increases for the Purchase Option Aircraft are capped until December 2029, being the scheduled delivery date of the final Purchase Option Aircraft. In the event that Wizz Air Hungary requests any Purchase Option Aircraft to be delivered later than 2029, Airbus and Wizz Air Hungary will have to agree the price escalation at the relevant time.

The Directors confirm that the final negotiated price represents a very substantial discount from the 2018 aircraft average list price for an Airbus A321neo Aircraft, as noted above, and will continue to give Wizz Air a strong competitive advantage through its aircraft ownership costs. The Company has also taken into account the current economic environment, the industry performance and the Company’s financial position, and considers that the extent of the price concessions granted to Wizz Air Hungary in respect of the Purchase Option Aircraft are highly advantageous and in the best interests of the Company and Shareholders as a whole.

In respect of the Proposed Purchase, the Company understands its disclosure obligations under the Listing Rules and has therefore on separate occasions requested Airbus’ consent to the Company disclosing required information (including the relevant price involved) in any regulatory announcements and circulars. Nonetheless, Airbus did not accede to the Company’s request and insisted on preserving the confidentiality of such information for business and commercial reasons.

### ***Engine selection***

Under a further amendment to the Existing NEO Purchase Agreement executed in February 2023, the Purchase Option Aircraft shall be equipped with either the PW1133G-JM engine manufactured by Pratt & Whitney or the CFM LEAP-1A32 engine manufactured by CFM. The price of these engines is included in the final price of each Purchase Option Aircraft, with the 2018 aircraft average list price for an Airbus A321neo Aircraft including the average cost of the different choices of engines. The base price of the different choices of engines is different, but each price difference is not considered by the Company to be material in the context of the overall aircraft price and, in any event, the final price will be subject to negotiations with the relevant engine manufacturer.

### ***Termination***

The Proposed Purchase is conditional on Wizz Air Shareholder approval. If Shareholder approval is received, Wizz Air Hungary will be committed to acquiring the Purchase Option Aircraft notwithstanding any reduction in demand for its services or change in its needs for a larger fleet and/or aircraft with enhanced range capability. Wizz Air Hungary may only terminate the Existing NEO Purchase Agreement if: (i) Airbus becomes insolvent or becomes subject to insolvency procedures (in which case the entire agreement may be terminated); (ii) the scheduled delivery of an aircraft is delayed for more than an agreed maximum period beyond the last day of the relevant scheduled delivery month (but termination in such case shall only be in respect of the affected aircraft); and (iii) an aircraft is lost, destroyed or damaged beyond repair and replacement will not be available within twelve months after the last day of the original scheduled delivery month (in which case termination shall only be in respect of the affected aircraft).

The 2022 NEO Purchase Agreement Amendment required the Company to have obtained Shareholder approval of the Proposed Purchase by 31 July 2023. Wizz Air subsequently agreed with Airbus to extend the date by which the Company is required to have obtained Shareholder approval of the Proposed Purchase to 10 August 2023.

#### ***Assignment***

Subject to conditions, Wizz Air Hungary may assign all or any part of its rights and obligations under the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment to another member of the Group.

#### **6. FINANCING OF THE PROPOSED PURCHASE**

As at 12 July 2023 (being the latest practicable date prior to the publication of this Circular), Wizz Air had self-financed approximately US\$512 million of the pre-delivery payments for aircraft. Wizz Air has successfully financed and taken delivery of 220 aircraft through various financing transactions to date and all outstanding pre-delivery payments have been financed historically either from external or internal cash resources.

The Company anticipates that the pre-delivery payment requirements in relation to the Proposed Purchase may be covered by a combination of cash on balance sheet and third-party financing (either through a stand-alone facility or in combination with long-term financing), subject to available competitive third-party financing. In respect of the Purchase Option Aircraft, Wizz Air is required to make certain pre-delivery payments under the 2022 NEO Purchase Agreement Amendment during the 12 months following the date of the 2022 NEO Purchase Agreement Amendment. The requirement to make these payments does not impact or qualify the opinion of the Directors that the working capital available to the Company is sufficient for its present requirements, that is, for at least the 12 months following the date of publication of this Circular (as set out in section 7 (*Working capital*) of Part 4: “*Additional Information*” of this Circular).

Furthermore, in accordance with its normal practice, Wizz Air intends to run a competitive tender process for sale and leaseback financing and balance sheet financing methods for the Purchase Option Aircraft. Given Wizz Air’s current financial standing and the strong market demand for the Airbus A321neo Aircraft, the Company believes that competitive funding solutions will be achievable for each of the Purchase Option Aircraft. Wizz Air may also use its internal resources and cashflow where the Board considers these sources of financing more favourable to Wizz Air. Subject to various conditions having been met, Airbus will support Wizz Air Hungary in arranging financing for a certain number of aircraft.

Wizz Air will retain flexibility in determining methods of financing the Purchase Option Aircraft which may include (depending on availability at the relevant time) off-balance sheet and on-balance sheet structures, sale and leaseback arrangements, commercial loans, export credit agency financing and capital markets instruments.

While the Board will regularly review optimal sources of financing, there is currently no expectation that Shareholders will be asked to fund any aspect of the Proposed Purchase.

#### **7. RISKS**

The Board has considered and put in place mitigants for the key risks of Wizz Air undertaking the Proposed Purchase which are set out in Part 2: “*Risk Factors*” of this Circular. It is the nature of the aviation industry that airlines are exposed to external risks, for example fuel price fluctuations, currency fluctuations, catastrophic loss, global pandemics, war or other conflicts affecting global airspace or other macroeconomic factors, which can cause significant harm to Wizz Air’s financial and operational performance. However, the Board believes that Wizz Air’s business model, and the cost savings, further increased capacity and fleet flexibility provided by the Proposed Purchase, should help mitigate these risks.

## 8. CURRENT TRADING AND PROSPECTS

FY 2023, despite being loss-making, was a year of steadily improving trading where Wizz Air saw strong demand recovery and passenger growth across all of its markets. During FY 2023, Wizz Air faced several macro events, including the war between Russia and Ukraine, sharply rising energy costs and supply chain issues. Notwithstanding this economic backdrop, Wizz Air managed to operate at record capacity, and delivered a strong growth rate (Source: Innovata/CIRIUM). Wizz Air's more diversified network and larger, more efficient fleet have been key in recovering capacity and returning unit costs towards pre-pandemic levels. Wizz Air's focus has centred on controlling cost as the Company operated at higher capacity versus pre-COVID-19 levels, while adjusting its operations in the face of airport and airspace interruptions impacting European operators. Nevertheless, as the post-COVID-19 recovery continues, the Group reported a net financial loss of €535.1 million for FY 2023 (compared to a €642.5 million loss in FY 2022).

Passenger numbers increased by 88.3% in FY 2023 compared to FY 2022 to 51.1 million passenger segments. Total revenue in FY 2023 increased by 134.2% compared to FY 2022 to €3.9 billion, split between €2.0 billion of ticket revenue (a 176.6% increase compared to FY 2022) and €1.9 billion of ancillary revenue (a 100.9% increase compared to FY 2022). CASK was 4.58 euro cents (excluding the impact of exceptional items) in FY 2023, an increase of 15.0% compared to FY 2022, and ex-fuel CASK was 2.58 euro cents (excluding the impact of exceptional items), a decrease of 8.2% compared to FY 2022. The net loss for FY 2023 was €535.1 million, compared to a net loss of €642.5 million in FY 2022, and a negative operating profit margin of 12.0% (excluding exceptional expense) was recorded, compared to a negative operating profit margin of 28.2% for FY 2022. The information in this paragraph has been extracted without material adjustment from the 2023 Annual Report and Accounts. All measures, other than revenue and net profit/(loss), are unaudited.

Wizz Air faced significant challenges in the summer of FY 2023, as the Company needed to redeploy its staff and capacity from Ukraine elsewhere in the Wizz network. Airspace over and around Ukraine was either closed or severely constrained, which meant there were limitations to flying that Wizz Air was forced to accommodate. Air traffic controllers, affected by pandemic-related decisions, were in short supply, further complicating the limited airspace over Wizz Air's core CEE market. Wizz Air continues to work to repatriate three stranded aircraft in Ukraine.

Most of Wizz Air's network focus in FY 2023 was on increasing frequencies and joining existing airports (with approximately 95% of FY 2023 capacity growth compared to FY 2022 delivered in this area). Compared to Wizz Air's pre-COVID-19 network footprint in FY 2020, Wizz Air's growth came predominantly from the following markets: 38% in Italy, 8% in the UAE and 54% in the rest of the existing network. These developments highlight Wizz Air's deliberate strategy of rapidly growing and diversifying its footprint during the years impacted by COVID-19 travel restrictions (mainly calendar years 2020 and 2021), enhancing Wizz Air's ability to recover capacity faster once restrictions lifted and also improving its structural cost by locking in a cost structure at a time when Wizz Air could leverage its negotiating power due to depressed demand for airport capacity.

Wizz Air fully restored its business in its core CEE region and further expanded during FY 2023, with Wizz Air retaining its market leading position in respect of the low-cost market by market share (Source: Innovata/CIRIUM). Wizz Air grew its market share in the CEE region to 24% (an increase of 5.0% compared to FY 2022) and is the leading airline by market share in three of its core CEE markets, namely Romania, Hungary and Bulgaria (Source: Innovata/CIRIUM). Wizz Air also expanded in Poland where the fleet grew to 30 aircraft, and in Georgia where one more aircraft was added to the fleet (growing from three to four). Wizz Air has also strengthened its historic positions in select markets in Western Europe, notably in the UK, Italian and Austrian markets. Wizz Air has consolidated its presence in London by focusing on its continued leadership in Luton and opportunities at Gatwick. In Italy, Wizz Air has closed smaller bases in Palermo and Bari and allocated the resources to Rome and Milan, where additional aircraft are being allocated in FY 2024, growing Wizz Air's presence from 18 aircraft to 25 aircraft. In Austria, Wizz Air has differentiated its offer in the Vienna market and is allocating further aircraft there starting in summer 2023. During FY 2023, the Company continued its strategic growth, with the establishment of Wizz Air Malta which was granted an Air Operator's Certificate (AOC) in September 2022 by the European Union Aviation Safety Agency and an operating licence by the Malta Civil Aviation Directorate.

As part of Wizz Air’s “Go East” strategy, Wizz Air Abu Dhabi has now been operating for more than two years. It is already the second largest airline in terms of seats at Abu Dhabi Airport (Source: Innovata/CIRIUM). Wizz Air expects its fleet at Abu Dhabi Airport to grow from nine to 16 aircraft during FY 2024 and expects the number of employees to double to 800, pushing the brand awareness to 50% (Source: Dnata Survey). As part of Wizz Air’s initial phase of serving the Saudi Arabia market, Wizz Air has commenced flying more routes to Jeddah, Riyadh and Dammam from its core CEE, Italy and Austria markets. There are also daily flights from Abu Dhabi to Dammam and to Medina.

Wizz Air expects the Company’s net profit to be in the range between €350 and €450 million in FY 2024, subject to the absence of adverse exogenous events such as an incremental impact from the war in Ukraine, delivery delays, or similar. This guidance is dependent on the revenue performance for the all-important summer period as well as the second half of FY 2024, a period for which the Company, like most airlines, currently has limited visibility.

The above statement of the expected net profit for FY 2024 constitutes a profit forecast for the purposes of the Listing Rules. The basis of preparation of the Profit Forecast and the assumptions used in preparing this forecast are set out in Section 8 (*Profit Forecast*) of Part 4: “*Additional Information*” of this Circular.

## **9. GENERAL MEETING**

The Proposed Purchase is a “class 1 transaction” pursuant to the Listing Rules and must therefore be approved by Shareholders in a general meeting. Set out in Part 6: “*Notice of General Meeting*” of this Circular is a notice convening the General Meeting to take place at 15:30 p.m. (CEST) (or as soon thereafter, as the 2023 AGM shall have been concluded or adjourned) on 2 August 2023 at Crowne Plaza Geneva, Avenue Louis-Casai 75-77, 1216 Geneva, Switzerland. At the General Meeting, an ordinary resolution to approve the Proposed Purchase will be proposed. The text of the Resolution is set out in Part 6: “*Notice of General Meeting*” of this Circular.

Should there be any changes to the arrangements for the General Meeting (including adjournment or postponement of the General Meeting), the Company will notify Shareholders via a regulatory information service announcement. Shareholders should continue to monitor the Company’s website and regulatory news services for any updates in relation to the General Meeting arrangements.

Please note that only those Shareholders whose names appear on the register of members or Separate Register (as defined in the Company’s articles of association) of the Company at 15:30 p.m. (CEST) on 31 July 2023 shall be entitled to attend and/or vote at the General Meeting. For Shareholders that are Non-Qualifying Nationals, you will have received, alongside the notice of the 2023 Annual General Meeting, a Restricted Share Notice explaining why the Company has had to restrict the number of Ordinary Shares you can vote (referred to herein as “Restricted Shares”) and setting forth the number of Ordinary Shares that are treated as Restricted Shares. Further information can be found at explanatory notes 4 to 7 of the Notice of General Meeting on page 53 of this Circular.

## **10. ACTION TO BE TAKEN**

You will find enclosed a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the meeting you are requested to complete and sign the Form of Proxy (in accordance with the instructions printed thereon) and return it to the Company’s registrars, Computershare Investor Services (Jersey) Limited, at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom as soon as possible and in any event so as to be received by no later than 15:30 p.m. (CEST) on 31 July 2023. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person if you so wish.

## 11. RECOMMENDATION

The Board considers that the Proposed Purchase is in the best interests of the Company and Shareholders as a whole and, accordingly, unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

The Directors have indicated their intention to vote in favour of the Resolution in respect of their beneficial holdings amounting at the date of this Circular to an aggregate of 26,538,340 Ordinary Shares, representing approximately 25.7% of the existing share capital of the Company as at 12 July 2023 (being the latest practicable date prior to the publication of this Circular).

Yours faithfully

A handwritten signature in black ink, appearing to read "W.A. Franke".

**William A. Franke**

*Chairman*

**Wizz Air Holdings Plc**

Registered number: 103356

*Registered office:*

44 Esplanade

St. Helier JE4 9WG Jersey

## PART 2

### RISK FACTORS

*In addition to the information presented in this Circular, the following risk factors should be carefully considered by Shareholders when deciding what action to take in relation to the Resolution proposed at the General Meeting. The risks and uncertainties described below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. These risks and uncertainties are those which the Directors believe are the material risks relating to the Proposed Purchase or that represent new or changed risks to Wizz Air as a consequence of the Proposed Purchase either becoming effective or not becoming effective. Additional risks and uncertainties not presently known to the Directors, or that the Board currently deems immaterial, or that the Board deems material but which are not related to or will not result from or be impacted by the Proposed Purchase, may also adversely affect the business of Wizz Air. If any of these risks materialise, the business, financial condition or results of operations of Wizz Air could be materially adversely affected.*

#### 1. RISKS RELATED TO, RESULTING FROM OR IMPACTED BY THE PROPOSED PURCHASE

##### *The Proposed Purchase is conditional on Shareholder approval*

The Proposed Purchase, and the relevant provisions of the 2022 NEO Purchase Agreement Amendment related thereto, are conditional upon Shareholders approving the Resolution. There can be no assurance that such approval will be obtained. The Board considers that the Proposed Purchase is in the best interests of the Company and Shareholders as a whole. If the Proposed Purchase, and the relevant provisions of the 2022 NEO Purchase Agreement Amendment related thereto, do not become effective due to Shareholder approval not being obtained, the Company may not be able to obtain terms for the purchase of Airbus A321neo Aircraft as favourable as those applicable to the Proposed Purchase in the future. The risks set out in the section below entitled “Risks related to, resulting from or impacted by the Proposed Purchase not becoming effective” would apply if the Proposed Purchase did not become effective.

##### *Wizz Air is exposed to significant financial commitments in relation to the Proposed Purchase*

The Proposed Purchase, and the relevant provisions of the 2022 NEO Purchase Agreement Amendment related thereto, require substantial payments, including pre-delivery payments, by Wizz Air up to the delivery of the final aircraft, currently scheduled for 2029. While Wizz Air does have flexibility to modify the timing of a proportion of the deliveries, the Proposed Purchase requires a substantial financial commitment by Wizz Air over the long term and up to the delivery of the final aircraft. It is very difficult to predict the future prospects of the airline industry which can change quickly as a result of the macroeconomic climate, regulatory changes, external events or competitor behaviours prior to the delivery of the Purchase Option Aircraft. If the prospects for the airline industry were to change materially and/or competitors increase capacity on Wizz Air’s routes depressing Wizz Air’s yields and/or the demand for air travel in Wizz Air’s markets were to decrease significantly in the future, Wizz Air’s outstanding commitments to purchase the Purchase Option Aircraft, as well as the 280 outstanding aircraft under the Existing NEO Purchase Agreement, the 2017 NEO Purchase Agreement Amendment, the 2019 NEO Purchase Agreement Amendment and the 2021 NEO Purchase Agreement Amendment and its obligations thereunder could materially adversely affect Wizz Air’s business, financial condition and/or results of operations.

For the avoidance of doubt, the statements in this risk factor do not qualify the opinion of the Directors that the working capital available to the Company is sufficient for its present requirements, that is, for at least the 12 months following the date of publication of this Circular (as set out in section 7 (*Working capital*) of Part 4: “*Additional Information*” of this Circular).

### ***Wizz Air needs sources of financing to meet its obligations in respect of the Proposed Purchase***

The ability of Wizz Air to meet its obligations in respect of the Proposed Purchase is dependent on the level of its own cash resources and its ability to access the other methods of finance, including off-balance sheet and on-balance sheet structures, sale and leaseback arrangements, commercial loans, export credit agency financing and capital markets instruments, on acceptable terms, as required to meet its obligations in respect of the Proposed Purchase. The Directors believe that such resources and methods of financing are now available to Wizz Air and are likely to remain available, however there can be no assurance that such sources of finance or other suitable financing arrangements will not become more difficult to obtain, more expensive, less commercially attractive or be available at all in the future (due to the then prevailing conditions of the international credit and capital markets, or otherwise). In addition, any negative change in the credit worthiness of Wizz Air may adversely affect Wizz Air's ability to access the capital markets and/or impact borrowing rates.

Furthermore, the Group's commitments will increase significantly as its fleet size increases regardless of the type of financing utilised. To the extent that the Group cannot obtain financing on acceptable terms, or at all, the Group may be required to modify its aircraft acquisition plans to incur higher than anticipated financing costs, which would have an adverse impact on the execution of the Group's organic growth strategy and business, and ultimately Wizz Air may be unable to fulfil its contractual commitments to Airbus in respect of the Proposed Purchase.

Whilst this risk factor sets out the difficulties Wizz Air would face in the event it was unable to source new credit lines in the event of adverse conditions in the credit and capital markets, the Directors are not currently aware of any such issues affecting the business and believe this should be viewed as a longer-term risk. It should also be noted that subject to various conditions having been met, Airbus would support Wizz Air Hungary in arranging financing for a certain number of the Purchase Option Aircraft. Wizz Air is also required to make certain pre-delivery payments in respect of the Proposed Purchase during the 12 months following the date of the 2022 NEO Purchase Agreement Amendment.

For the avoidance of doubt, the statements in this risk factor and the requirement to make pre-delivery payments referred to above do not qualify the opinion of the Directors that the working capital available to the Company is sufficient for its present requirements, that is, for at least the 12 months following the date of publication of this Circular (as set out in section 7 (*Working capital*) of Part 4: "*Additional Information*" of this Circular).

### ***Wizz Air is exposed to the performance of the Airbus A321neo Aircraft as well as the applicable CFM and Pratt & Whitney engines in respect of the Purchase Option Aircraft***

For the Purchase Option Aircraft, Wizz Air has a choice between either CFM LEAP engines (the LEAP-1A32 engine) or Pratt & Whitney engines (the PW1133G-JM engine). There is a risk that the new engine design and/or the new materials used in the aircraft or the engines may be found to be less efficient, durable or reliable than expected over time, thereby leading to higher than anticipated maintenance and repair costs, higher risk of safety incidents and/or delays in delivery or even cancellation of the programme. If the engines fitted to the Purchase Option Aircraft do not deliver the anticipated fuel efficiency improvements or their efficiency significantly degrades over time, the anticipated savings in fuel costs may not materialise or may be lower than expected.

Wizz Air is also vulnerable to any problems that might be associated with the modified design of the airframe of the Airbus A321neo Aircraft or the Airbus A320neo Family Aircraft more generally. Wizz Air's business, results of operations, financial condition and/or prospects could be adversely affected if a design defect or mechanical problem with the Airbus A321neo Aircraft or the Airbus A320neo Family Aircraft was discovered, causing Wizz Air's aircraft to be grounded while any such defect or problem was corrected, or attempts were made to correct it or if the programme was cancelled. The Group's business, results of operations, financial condition and/or prospects could also be adversely affected if its customers were to avoid flying with Wizz Air due to an adverse public perception of the Airbus A321neo Aircraft or the Airbus A320neo Family Aircraft more generally, caused by safety concerns or other problems, whether real or perceived.

***Wizz Air is exposed to the failure or non-performance of Airbus in connection with its aircraft and IAE and Pratt & Whitney and/or CFM in connection with the performance and suitability of their engines***

If either Wizz Air's aircraft manufacturer (Airbus) or engine manufacturers (IAE and Pratt & Whitney and/or CFM) experiences financial difficulties, goes out of business or defaults on its obligations to Wizz Air, this could have adverse consequences for Wizz Air. In particular, Wizz Air would have to find another supplier for its aircraft or engines in order to achieve its organic growth strategy. If Wizz Air had to lease or purchase aircraft or engines from another supplier, it may encounter significant delays in obtaining the aircraft or engines it requires and/or be unable to obtain those aircraft or engines on economic terms comparable to the terms of the agreement it has agreed with its existing suppliers. If Wizz Air was unable to obtain aircraft or engines from another supplier on terms acceptable to it, or at all, Wizz Air may be forced to consider leasing or purchasing aircraft and/or engines made by a different aircraft or engine manufacturer, and, as a result, could lose the benefits afforded by a single fleet type. Any replacement aircraft or engines may not have the same operating advantages as the Airbus A321neo Aircraft or the Airbus A320neo Family Aircraft, or the relevant Pratt & Whitney and/or CFM engines. In addition, Wizz Air may not be able to lease or purchase such aircraft or engines within the anticipated timeframe, if at all. Further, the addition of any such different aircraft and/or engines would result in substantial transition costs, including costs associated with re-training Wizz Air's employees.

Wizz Air's operations could also be harmed by the failure or inability of Airbus, IAE, Pratt & Whitney or CFM, or any other relevant engine manufacturer to provide sufficient parts or related support services for their aircraft or engines on a timely basis. Airbus currently has a significant order backlog for the Airbus A320neo Family Aircraft. Moreover, the cost-effective management of new aircraft deliveries and deployments may be affected by many factors beyond Wizz Air's control. Any delay in the scheduled delivery of Wizz Air's aircraft could result in adverse consequences. If an aircraft is delivered late, Wizz Air's ability to maintain desirable slots and expand its route network and flight frequencies could be jeopardised. Moving quickly from aircraft delivery to revenue-generating deployment requires the co-ordination of a number of processes, such as pilot hiring and training and increasing the number of flight frequencies and routes. If Wizz Air is unable to put new aircraft into service in a quick and coordinated manner, it may incur costs and lose anticipated revenue.

Any such failure or non-performance by Airbus or any relevant engine manufacturer could therefore have a material adverse effect on Wizz Air's business, results of operations, financial condition and/or prospects and also on Wizz Air's reputation.

**2. RISKS RELATED TO, RESULTING FROM, OR IMPACTED BY, THE PROPOSED PURCHASE NOT BECOMING EFFECTIVE**

***Wizz Air may be unable to realise incremental Shareholder value***

The Board considers that the Proposed Purchase is in the best interests of the Company and Shareholders as a whole and currently provides the best opportunity for Wizz Air to obtain commercially attractive and competitively-priced terms for the purchase of the Purchase Option Aircraft to continue to implement its growth plans over the medium term. The Board believes that adding the Purchase Option Aircraft to its fleet will represent a significant opportunity for Wizz Air to further expand its network and reach its sustainability goals.

If the Proposed Purchase does not become effective, other airlines may take advantage of the fuel efficiency provided by new generation engine technology and/or to drive down CASK while Wizz Air is unable to do so. This may result in a competitive disadvantage to Wizz Air resulting in it not being able to deliver sustainable returns to Shareholders over the long term. Wizz Air may be unable to maintain or improve its cost advantage over competitors on its routes, retain its leading market positions, maintain its current fleet growth plan and/or take advantage of opportunities to grow. Any of these factors could have a material adverse effect on Wizz Air's business, financial condition or results of operations.

***Wizz Air could fail to find suitable alternative arrangements for the purchase or leasing of aircraft***

If the Proposed Purchase does not become effective, the Board believes that Wizz Air would need to find alternative arrangements to purchase or lease the type of aircraft required to continue to implement its growth and route-expansion plans over the medium term. This may require Wizz Air to negotiate *ad hoc* deals with suppliers and/or lessors, however there can be no assurance that it will be able to obtain the required number and type of aircraft at favourable rates or with the optimal delivery dates. If Wizz Air were to negotiate other arrangements for the acquisition of new aircraft in the future, there may be a significant lack of available delivery positions.

**3. RISKS RELATED TO WIZZ AIR AS RELATED TO, RESULTING FROM, OR IMPACTED BY, THE PROPOSED PURCHASE**

***Wizz Air is exposed to currency fluctuations***

Wizz Air's business, results of operations and financial condition may be adversely affected by fluctuations in currency exchange rates, particularly between the Euro and the US Dollar. Wizz Air reports its financial results in Euros. However, it transacts and holds assets and liabilities in currencies other than Euros. A significant portion of Wizz Air's FY 2023 costs were incurred in US Dollars, including aviation fuel, payments under aircraft leases and maintenance reserves. In addition, Wizz Air has various significant monetary asset and liability positions on its balance sheet that are denominated in US Dollars including pre-delivery payments to Airbus, payments to aircraft lessors on its leased aircraft, and letters of credit which are required as a result of agreements with aircraft lessors and other business partners. Continued or further strengthening of the US Dollar against the Euro will result in foreign currency losses, will increase the Company's fuel and interest costs, and may impact results and margins. The price of each Purchase Option Aircraft is denominated in US Dollars.

Given the sustained and ongoing volatility in commodity prices, Wizz Air announced on 16 June 2022 that the Directors had decided to reinstate a systemic Euro/US Dollar hedging policy and to align such policy to those of its peers. Notwithstanding that Wizz Air engages in Euro/US Dollar currency hedging transactions to reduce its exposure to currency fluctuations in respect of costs incurred in US Dollars and US Dollar denominated asset and liability positions, there can be no assurance that these hedging transactions will be sufficient to protect against its increased exposure to adverse exchange rate movements between the Euro and US Dollar. Any adverse exchange rate movements in the currency exchange rates, to the extent not hedged by Wizz Air, could have a material adverse effect on Wizz Air's business, results of operations, financial condition and/or prospects.

***Interest rate movements could adversely affect Wizz Air***

Wizz Air has some exposure to fluctuations in interest rates. Of the 184 aircraft in its fleet as at 12 July 2023 (being the latest practicable date prior to the publication of this Circular), 17 are currently held pursuant to operating leases or JOLCOs which are subject to floating rates of interest. The Company's exposure to fluctuations in interest rates may increase as a result of the Proposed Purchase should the Company elect to finance some of the Purchase Option Aircraft pursuant to financing arrangements with variable interest rates. The cost of any such financing arrangements may be materially higher given the landscape of rising global interest rates.

Wizz Air did not use financial derivatives to hedge its interest rate risk during FY 2021, FY 2022 or FY 2023. An adverse interest rate movement could have a material adverse effect on Wizz Air's business, results of operations, financial condition and/or prospects.

***Wizz Air's aircraft needs may change before, during or after the delivery period such that Wizz Air no longer requires the 75 Purchase Option Aircraft it is committed to purchase from Airbus pursuant to the Proposed Purchase***

Although the order for the 75 Purchase Option Aircraft is in line with Wizz Air's current expectations for its future aircraft fleet needs to achieve its growth plans over the medium term, Wizz Air's business needs may change due to events outside of its control as airlines are exposed to risks from, amongst other things,

political instability, social unrest, civil war, international conflicts including the war between Russia and Ukraine, failing governments, accidents, terrorist attacks, natural catastrophes such as volcanic eruptions, climate change, outbreaks of diseases (such as the COVID-19 pandemic) and general economic conditions; for example, how the UK and the EU will foster commercial relationships going forward following the UK's withdrawal from the EU including the need to maintain access to a liberalised market, and/or increasing nationalist agendas in certain of Wizz Air's core CEE markets, potentially impacting on the regime for operating in those countries.

Wizz Air's business extends beyond the borders of the EU and into countries such as Russia and Ukraine. The ongoing war between Russia and Ukraine has created further challenges and a hostile business environment, especially for Wizz Air as flight operations must accommodate restricted airspace and other related air traffic effects. All of Wizz Air's Russian and Ukrainian operations continue to be suspended indefinitely. Wizz Air is currently working to repatriate three stranded aircraft in Ukraine. Wizz Air's business also extends to regions including the Caucasus, North Africa and the Middle East. Some of the regions Wizz Air operates in have in the past experienced, and may also in the future be subject to, further potential political and economic instability caused by changes in governments, political deadlock in the legislative process, contested election results, tension and local, regional or international conflicts, corruption among government officials, social and ethnic unrest and currency instability. These could lead to Wizz Air being unable to fly its customers to their destinations or experiencing significant losses throughout its business. Demand for Wizz Air's products could also be adversely affected by general competitive pressures within the industry. In any of these situations, Wizz Air's aircraft requirements could be significantly reduced, however Wizz Air Hungary would be committed to acquire the Purchase Option Aircraft notwithstanding any such reduction in demand, which could have a material adverse effect on Wizz Air's business, financial condition, results of operations and prospects.

#### **4. RISKS RELATED TO WIZZ AIR'S INDUSTRY AS RELATED TO, RESULTING FROM, OR IMPACTED BY, THE PROPOSED PURCHASE**

*Airlines are often affected by other factors beyond their control, including adverse weather conditions, an outbreak of a contagious disease, terrorist incidents (or the threat of such incidents), catastrophic loss and major accidents or incidents*

Like other airlines, Wizz Air is subject to disruptions caused by factors beyond its control, including adverse weather conditions and other natural events, such as the ash cloud generated by the eruption of the Eyjafjallajökull volcano in Iceland in April and May 2010. Delays frustrate passengers, may affect Wizz Air's reputation and may reduce aircraft utilisation as a result of flight cancellations and increase costs, all of which, in turn, affect profitability. In the event of fog, snow, rain, storms or other adverse weather conditions or natural events, flights may be cancelled or significantly delayed. A further outbreak of a contagious disease with the potential to become a pandemic (for example, a contagious disease resulting in similar effects to the COVID-19 pandemic) could affect travel behaviour by reducing passenger traffic, either generally or to offered destinations.

Notwithstanding the gradual recovery of the airline industry from the effects of the COVID-19 pandemic, any significant resurgence of the virus, or any further or prolonged waves of COVID-19 infections and/or mutations could continue to impact Wizz Air's markets, leading to new travel or quarantine restrictions being imposed at short-notice, which could have a material adverse effect on customer confidence, Wizz Air's operations and financial condition.

Hijacking or other terrorist incidents anywhere in the world, or the threat of such incidents, can significantly harm public confidence in the airline industry, reduce passenger traffic or affect general political, economic or business conditions in ways that could result in reduced demand for airline transport services, increased costs or reduced passenger revenue. Although Wizz Air's operations are safe and secure, achieving higher than industry average safety and security performance levels, security measures have in the past disrupted and may potentially in the future disrupt Wizz Air's business on a temporary or long-term basis.

In addition, Wizz Air, like all airlines, is exposed to potential catastrophic losses in the event that any of the Group's aircraft is subject to an accident or other catastrophe. This may involve not only the repair or

replacement of damaged or lost aircraft and its consequent temporary or permanent loss from service, but also claims from injured passengers and survivors of deceased passengers. There can be no assurance that the amount of the Group's insurance coverage available in the event of such losses would be adequate to cover such losses, or that the Group would not be forced to bear substantial losses from such events, regardless of its insurance cover. Moreover, any aircraft accident or incident, even if fully insured, could create a public perception that Wizz Air is less safe or reliable than other airlines, which could cause passengers to lose confidence in Wizz Air and switch to other airlines or other means of transportation.

Any of the above events could reduce demand for Wizz Air's services and have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects. Nevertheless, Wizz Air Hungary would still be committed to purchase the Purchase Option Aircraft, which could adversely affect the Group's ability to adjust capacity in response to any such reduced customer demand. This could have a material adverse effect on the Group's business, results of operations, financial position and prospects.

#### ***The airline industry is exposed to fuel price fluctuations***

Fuel costs (excluding exceptional expense) are typically the largest component of Wizz Air's operating costs, accounting for 44.8% of Wizz Air's total operating costs in FY 2023 and 30.5% of Wizz Air's total operating costs in FY 2022. As such, Wizz Air's operating costs are significantly affected by changes in the availability and cost of aviation fuel. Aviation fuel has been, and is expected in the future to continue to be, subject to significant price volatility and fluctuations in supply and demand as a result of factors including weather-related events, natural disasters, political disruptions or wars involving oil-producing countries, changes in governmental policy concerning fuel production, transportation or marketing, changes in fuel production capacity and environmental concerns. In particular, the war between Russia and Ukraine throughout FY 2023 has contributed significantly to high fuel prices. Wizz Air incurs fuel costs in US Dollars. Given the sustained and ongoing volatility in commodity prices, Wizz Air announced on 16 June 2022 that the Directors had decided to reinstate a systemic hedging policy and to align such policy to those of its peers. The hedges under the hedge policy will be rolled forward quarterly, 18 months out, with coverage levels over time reaching indicatively between 65% for the first quarter of the hedging horizon and 15% for the last quarter of the hedging horizon. In line with the hedging policy, Wizz Air also intends to hedge its fuel consumption related US Dollar exposure in a similar fashion.

If fuel prices fall significantly from current levels then the advantages of operating the more fuel efficient aircraft would reduce. Whilst the Group's committed NEO aircraft order with Airbus should assist in addressing Wizz Air's exposure to fuel price volatility, a very significant long-term reduction in fuel costs could cause Wizz Air to be disadvantaged when compared to other airlines retaining older, less fuel-efficient aircraft but with lower capital costs. On the other hand, a very significant long-term increase in the price of aviation fuel could lead to reduced customer demand for Wizz Air's services. Wizz Air may be able to mitigate the effect of fuel price rises by increasing fares or other passenger charges, but there is no guarantee that this strategy will be sustainable nor is there any certainty as to the magnitude or timing of any such rises in the price of fuel.

Any of the foregoing could have a material adverse effect on Wizz Air's business, results of operations, financial condition and/or prospects. In any event, Wizz Air Hungary would still be committed to purchase the Purchase Option Aircraft, which could adversely affect the Group's ability to adjust its capacity in response to any such rise or fall in the cost of aviation fuel. This could have a material adverse effect on the Group's business, results of operations, financial position and prospects.

Moreover, if the Resolution is not approved and the Proposed Purchase does not become effective, Wizz Air will not be able to take advantage of the fuel efficiency of the Airbus A321neo Aircraft in respect of the Purchase Option Aircraft, thereby exacerbating the potential material adverse effects of any fuel price fluctuations on Wizz Air's business, financial condition and/or results of operations.

#### ***Like other airlines, Wizz Air is exposed to information technology risks and cyber risks***

Wizz Air is dependent on information technology systems to enable and manage ticket reservations, process payments, check in passengers, manage its traffic network, perform flight operations and engage in other

critical business tasks. During FY 2023, over 90% of the Group's bookings were made through [wizzair.com](http://wizzair.com) and mobile applications. Cyber risk is a hugely important consideration for Wizz Air and is one of the areas closely monitored by the Board. Wizz Air's systems could be attacked in a number of ways and with varying outcomes; for example, unavailability of [wizzair.com](http://wizzair.com) or operations-critical systems or theft of customers' data that could result in considerable loss of customer confidence. Cyber security is a constantly evolving challenge and one of the key issues related to cyber security is Wizz Air employees' awareness of the risk and of the possible ways in which the Company's business could be attacked. Aside from the COVID-19 pandemic, regional conflicts including the war between Russia and Ukraine have further changed the cyber security landscape. The cyber security threat level has increased in all industries around the world. Threats include website attacks, end-user phishing, ransomware attacks, compromises via a trusted third party and many others. Any major information technology failure or cyber security issue could have a material adverse effect on Wizz Air's business, results of operations, financial condition and/or prospects. Nevertheless, Wizz Air Hungary would still be committed to purchase the Purchase Option Aircraft.

***Like other airlines, Wizz Air is exposed to climate risk and possible changes to environmental laws and regulations***

Climate change has the potential to affect Wizz Air's operations and broader business in a number of ways. In particular, extreme weather events can reduce the productivity of business activities and add costs to operations and processes by causing operational disruption. Typically, storms and floods are destructive and cause significant physical capital losses, while extreme temperature waves disrupt productivity. The effects of extreme weather on business activities include direct physical damage or destruction of physical assets. Operational disruption results in the loss of productive output, either if the means of production are directly disrupted or the ability to fly is impacted. Extreme weather events can cause short-term disruption to regular revenue streams, particularly when poorly forecasted, resulting in market disruption. Sales may be affected by changes in demand if consumers alter their behaviours because of the weather. There is also the risk of reduced flight capacity if customers can't access airports due to infrastructure damages as well as reduced handling capacity at airports and ground transport access. Any increase in delayed or cancelled flights would increase disruption costs and reduce revenue, as well as having an adverse effect on Wizz Air's reputation. Changes in wind patterns and jet stream disruption as a result of climate change are also recognised as having the potential to increase *en route* turbulence which could negatively affect Wizz Air's customer satisfaction and retention. Customer attitudes to environmental and climate issues may also change and this may lead to a reduced demand for air travel or reputational consequences for less environmentally conscious airlines.

As an airline, Wizz Air recognises the risk related to oil consumption and CO2 emissions, which are considered a cause of climate change. Sustainability is a key focus for the Group. This includes creating and implementing environmental and socially responsible strategies, centralising data collection in order to increase its reporting capabilities and transparency and a continued commitment to the highest ethical standards. Greenhouse gas emissions and their potential impacts relating to climate change are under increasing global regulatory focus. Aviation is already included in the EU Emissions Trading System (a separate UK Emissions Trading Scheme replaced the UK's participation in the EU Emissions Trading System on 1 January 2021). In October 2016, the International Civil Aviation Organisation (ICAO) adopted the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) with the intention to create a single global market-based measure to achieve carbon-neutral growth for international aviation after 2020, which can be achieved through airline purchases of carbon offset credits.

While the precise impacts of climate-related requirements continue to evolve, the Group takes its responsibility towards the climate very seriously and is undertaking various measures that are expected to help reduce its CO2 emissions over time, such as improving fuel efficiency through operational measures and fleet renewal.

Until new environmental regulations come into force and/or until pending regulations are finalised, future costs to comply with such regulations remain uncertain but are likely to have a significant financial impact on Wizz Air's operating costs and on the aviation industry as a whole over time. Wizz Air continues to monitor these developments; however, the precise nature of future requirements and their applicability to the

Group are hard to predict, and, regardless of any changes to regulation, Wizz Air Hungary would still be committed to purchase the Purchase Option Aircraft.

In addition, the acquisition of the Purchase Option Aircraft is a key part of Wizz Air's sustainability strategy. The Directors believe that the Airbus A321neo Aircraft are the most fuel and cost-efficient aircraft in their class, supporting Wizz Air in maintaining its position as having the lowest CO2 emissions per passenger kilometre in Europe and reaching its sustainability goals of reducing CO2 emissions per passenger kilometre by 25% between FY 2020 and FY 2030. The further long-term supply of additional aircraft provided for by the acquisition of the Purchase Option Aircraft will help Wizz Air towards its stated aim of being a 500 aircraft group and a market-leader in terms of sustainability. If Shareholder approval of the Proposed Purchase is not obtained and Wizz Air is unable to acquire the Purchase Option Aircraft, Wizz Air's ability to cut CO2 emissions will be negatively impacted and the Company's exposure to future costs associated with compliance with environmental regulation may be increased.

***Restrictions on ownership and control of EEA based airlines and subsequent changes in the beneficial shareholders of the Group if unremedied could result in a loss of license***

Wizz Air Hungary is authorised to operate by virtue of an operating licence issued by the Hungarian Aviation Authority and an Air Operator Certificate (AOC) issued by the European Union Aviation Safety Agency. In addition, Wizz Air Malta is authorised to operate by virtue of an operating license issued by the Malta Civil Aviation Directorate and an AOC issued by the European Union Aviation Safety Agency. These authorisations are subject to the Group's ongoing compliance with applicable statutes, rules and regulations pertaining to the airline industry, including any new rules or regulations that may be adopted in the future.

The Group's Hungarian and Maltese operating licences require, *inter alia*, that the majority of the Company's equity capital must at all times be owned by "Qualifying Nationals" and that it must at all times be effectively controlled by "Qualifying Nationals". Qualifying Nationals are, *inter alia*: (a) EEA nationals; (b) nationals of Switzerland; and (c) in respect of any undertaking, an undertaking which satisfies the conditions as to nationality of ownership and control of undertakings granted an operating licence contained in Article 4(f) of EC Regulation 1008/2008, as such conditions may be amended, varied, supplemented or replaced from time to time, or as provided for in any agreement between the EU and any third country (whether or not such undertaking is itself granted a licence). As at 15 June 2023, approximately 86% of the Group's Ordinary Shares are owned by Non-Qualifying Nationals. However, the Group has provisions in its articles of association that are designed to assist in ensuring that the Company remains majority-owned and effectively controlled by Qualifying Nationals. Pursuant to these provisions, the Company has proportionately suspended voting rights and certain related rights attaching to Ordinary Shares held by Non-Qualifying Nationals. As a result of this disenfranchisement, non-Qualifying Nationals cannot attend or speak or vote at any general meetings of the Company in respect of their Ordinary Shares that are subject to disenfranchisement. Future movements in the ownership of the Company's share capital may necessitate that the Company conducts one or more further disenfranchisement exercises to ensure that adverse implications of a potential acquisition by Non-Qualifying Nationals of ownership of a majority of the Company's share capital or effective control over the Company be effectively remedied. In the event that the Company should fail to conduct any such further disenfranchisement exercise, the Group may face the risk of Wizz Air Hungary's and/or Wizz Air Malta's operating licence being suspended or revoked, which could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects. Nevertheless, Wizz Air Hungary would still be committed to purchase the Purchase Option Aircraft.

***Temporary suspension or loss of Wizz Air Hungary's, Wizz Air Malta's, Wizz Air UK's and/or Wizz Air Abu Dhabi's AOC would result in a suspension of the relevant part of the Group's operations***

Non-compliance with applicable statutes, rules and regulations pertaining to the airline industry by Wizz Air or one of its contractors, for example, through human error or lack of oversight, as observed by through audits by the EASA, the UK CAA or the UAE GCAA, respectively, or non-closure of audit findings, could result in the EASA or the UK CAA or the UAE GCAA taking steps to at least temporarily suspend or to revoke Wizz Air Hungary's, Wizz Air Malta's, Wizz Air UK's or Wizz Air Abu Dhabi's AOC, respectively. Any such suspension or revocation would result in a suspension of the relevant part of the Group's operations which would have a material adverse effect on the Group's business, results of operations,

financial condition and/or prospects. Nevertheless, Wizz Air Hungary would still be committed to purchase the Purchase Option Aircraft.

***The Group's ability to secure advantageous airport services agreements may be adversely affected by revised state aid guidelines***

The Group aims to secure the lowest possible charge levels from the airports that it serves, subject to certain operational standards and service levels being met. On 4 April 2014, revised European Commission guidelines regarding state aid to airports and airlines were published. The new guidelines prescribe, *inter alia*, that agreements between airlines and airports will be considered free of state aid if a private investor, operating under normal market conditions, would have accepted the same terms. The suggested method of assessment is to require that such agreements must be incrementally profitable. These guidelines may affect the ability of publicly owned airports and other authorities to agree to such arrangements, even if they are of a type which private sector airport operators would readily enter into. If any such agreements could not be entered into on terms acceptable to Wizz Air due to these guidelines, Wizz Air's airport charges may increase and this could have a material adverse effect on the Group's business, results of operations, financial conditions and/or prospects. Nevertheless, Wizz Air Hungary would still be committed to purchase the Purchase Option Aircraft.

## PART 3

### **SUMMARY OF THE TERMS AND CONDITIONS OF THE EXISTING NEO PURCHASE AGREEMENT, THE 2021 NEO PURCHASE AGREEMENT AMENDMENT AND THE 2022 NEO PURCHASE AGREEMENT AMENDMENT**

#### **1. INTRODUCTION**

The Company's wholly-owned subsidiary, Wizz Air Hungary, entered into the Existing NEO Purchase Agreement on 11 September 2015, relating to the purchase of 110 Airbus A321neo Aircraft. The purchase of 110 Airbus A321neo Aircraft pursuant to the Existing NEO Purchase Agreement was approved by Shareholders at a general meeting held on 3 November 2015. The Airbus A321neo Aircraft the subject of the Existing NEO Purchase Agreement are contracted to be delivered between January 2019 and December 2024 with 77 Airbus A321neo Aircraft and six Airbus A320neo Aircraft having been delivered to date to Wizz Air.

On 29 December 2017, Wizz Air announced that it had signed, subject to shareholder approval, the 2017 NEO Purchase Agreement Amendment relating to the purchase of a further 146 Airbus A320neo Family Aircraft (comprised of 72 Airbus A320neo Aircraft and 74 Airbus A321neo Aircraft) for delivery between 2021 and 2026. The purchase of 146 Airbus A320neo Family Aircraft pursuant to the 2017 NEO Purchase Agreement Amendment was approved by Shareholders at a general meeting held on 30 January 2018. To date, Wizz Air has taken delivery of 12 Airbus A321neo Aircraft under the 2017 NEO Purchase Agreement Amendment.

On 12 September 2019, Wizz Air entered into, subject to shareholder approval, the 2019 NEO Purchase Agreement Amendment relating to the purchase of 20 Airbus A321XLR Aircraft. The purchase of the 20 Airbus A321XLR Aircraft pursuant to the 2019 NEO Purchase Agreement Amendment was approved by Shareholders at a general meeting held on 30 October 2019. These aircraft are scheduled to be delivered between 2024 and 2028.

On 14 November 2021, Wizz Air entered into, subject to shareholder approval, the 2021 NEO Purchase Agreement Amendment relating to the purchase of 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and, to the extent offered by Airbus and accepted by Wizz Air Hungary and/or another member of the Group, up to a further 19 Airbus A321neo Family Aircraft. The purchase of the 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and, to the extent offered by Airbus and accepted by Wizz Air Hungary and/or another member of the Group, up to a further 15 Airbus A321neo Family Aircraft pursuant to the 2021 NEO Purchase Agreement Amendment was approved by Shareholders at the 2022 General Meeting. These aircraft are scheduled to be delivered between 2022 and 2028. To date, Wizz Air has taken delivery of three Airbus A321neo Aircraft under the 2021 NEO Purchase Agreement Amendment. Due to the expiry on 31 December 2021 and 31 December 2022 of the right of first refusal in respect of four and nine aircraft, respectively, out of the up to 19 additional Airbus A321neo Family Aircraft offered by Airbus under the 2021 NEO Purchase Agreement Amendment, Wizz Air currently has a right of first refusal in respect of an additional six Airbus A321neo Family Aircraft pursuant to the 2021 NEO Purchase Agreement Amendment.

With the 75 Purchase Option Aircraft to be acquired pursuant to the Proposed Purchase, Wizz Air's delivery backlog comprises a firm order for 13 Airbus A320neo Aircraft, 295 Airbus A321neo Aircraft and 47 Airbus A321XLR Aircraft. Including the up to six additional Airbus A321neo Aircraft to the extent offered by Airbus and accepted by Wizz Air Hungary and/or another member of the Group pursuant to the 2021 NEO Purchase Agreement Amendment, this is a total of 361 aircraft.

## 2. DELIVERY SCHEDULE

The Purchase Option Aircraft are scheduled for delivery as follows:

Current contracted delivery schedule	Calendar year	
	2028	2029
Airbus A321neo Aircraft .....	36	39

## 3. PRICE

Airbus has not published a list price for any of its aircraft since 2018. The 2018 aircraft average list price for an Airbus A321neo Aircraft was US\$129.5 million. The Directors confirm that the final negotiated price for the Purchase Option Aircraft represents a very substantial discount from the 2018 aircraft average list price for an Airbus A321neo Aircraft.

The final price of each Purchase Option Aircraft is determined on the same terms as contracted under the 2021 NEO Purchase Agreement Amendment and depends on design weights and engine choice and is subject to increases including: (i) the cost of “Buyer-furnished” equipment which the Company has asked Airbus to install on the aircraft; (ii) price escalation, which will be applied to the airframe base price, the engine option base price and the price of specification change notices by applying a formula reflecting increases in the published relevant labour and material indices between the time the aircraft base price was set and the delivery of such aircraft; and (iii) taxes. Wizz Air Hungary is responsible for the payment of any taxes (including VAT) except for taxes relating to the manufacture of the aircraft in France and/or Germany and/or China which will be payable by Airbus. Price escalation for the Purchase Option Aircraft is subject to price protection mechanisms limiting the price increases for Wizz Air Hungary. Price increases for the Purchase Option Aircraft are capped until December 2029, being the scheduled delivery date of the final Purchase Option Aircraft. In the event that Wizz Air Hungary requests any Purchase Option Aircraft to be delivered later than 2029, Airbus and Wizz Air Hungary will have to agree the price escalation at the relevant time.

Airbus has granted very substantial discounts to Wizz Air Hungary in respect of the Purchase Option Aircraft. These take the form of credit memoranda which may be applied against the purchase price of the aircraft or towards the purchase of goods and services from Airbus. As a result, the effective price of the Purchase Option Aircraft will be substantially below the 2018 aircraft average list price for an Airbus A321neo Aircraft mentioned above.

## 4. ENGINE SELECTION

Under a further amendment to the Existing NEO Purchase Agreement executed in February 2023, the Purchase Option Aircraft shall be equipped with either the PW1133G-JM engine manufactured by Pratt & Whitney or the CFM LEAP-1A32 engine manufactured by CFM. The price of these engines is included in the final price of each Purchase Option Aircraft, with the 2018 aircraft average list price for an Airbus A321neo Aircraft including the average cost of the different choices of engines. The base price of the different choices of engines is different, but each price difference is not considered by the Company to be material in the context of the overall aircraft price and, in any event, the final price will be subject to negotiations with the relevant engine manufacturer.

## 5. PAYMENT TERMS

Wizz Air Hungary will make certain pre-delivery payments to Airbus in respect of the Purchase Option Aircraft. These pre-delivery payments are calculated as a percentage of the aircraft reference price and are payable at fixed times prior to the scheduled delivery date of an aircraft. The balance of the aircraft purchase price becomes payable upon delivery of the aircraft.

Subject to various conditions having been met, Airbus will support Wizz Air Hungary in arranging financing for a certain number of aircraft.

## **6. INDEMNITY AND LIMITATIONS ON LIABILITY**

The Existing NEO Purchase Agreement contains customary indemnities granted by Wizz Air Hungary in favour of Airbus and limitations on Airbus' liability, in each case subject to appropriate carve-outs. The indemnities and limitations cover areas such as claims relating to or arising from the condition of the aircraft and/or software supplied by Airbus, repairs carried out by Wizz Air Hungary or one of its maintenance providers and the provision of training personnel by Airbus to Wizz Air Hungary.

## **7. SUPPORT**

Airbus has agreed to provide various goods and services to Wizz Air both prior to delivery and during the period for which Wizz Air operates the Purchase Option Aircraft. These include technical support, spare parts support and the provision of technical manuals and software and other materials with respect to each aircraft.

Airbus has given airframe and spare part warranties, including warranties against defects in design, materials or workmanship and has indemnified Wizz Air Hungary against any intellectual property infringement claims that may be brought against Wizz Air Hungary in relation to an aircraft.

Finally, Airbus has also provided certain performance guarantees in favour of Wizz Air Hungary relating to matters including fuel efficiency.

## **8. TERMINATION**

Either party may terminate the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment if the other party becomes insolvent or becomes subject to insolvency procedures.

If the scheduled delivery of an aircraft is delayed for more than an agreed maximum period as a result of a delay beyond the control of Airbus (an "**excusable delay**"), then Wizz Air Hungary has the right to terminate the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment in relation to the affected aircraft. Either party may terminate the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment in relation to an aircraft the scheduled delivery date of which is delayed beyond a certain period as a result of an excusable delay.

If the scheduled delivery of an aircraft is delayed beyond the last day of the scheduled delivery month of that aircraft or, where relevant, the delivery date notified by Airbus to Wizz Air Hungary for a particular aircraft, for any reason other than an excusable delay or total loss of the relevant aircraft (a "**non-excusable delay**"), then, subject to certain grace periods, Wizz Air Hungary has contractual recourse against Airbus. Either party may terminate the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment in relation to an aircraft the scheduled delivery date of which is delayed beyond a certain period as a result of a non-excusable delay.

The 2022 NEO Purchase Agreement Amendment required the Company to have obtained shareholder approval of the Proposed Purchase by 31 July 2023. Wizz Air subsequently agreed with Airbus to extend the date by which the Company is required to have obtained shareholder approval of the Proposed Purchase to 10 August 2023.

## **9. ASSIGNMENT**

Subject to conditions, Wizz Air Hungary may assign all or any part of its rights and obligations under the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment to another member of the Group.

## PART 4

### ADDITIONAL INFORMATION

#### 1. RESPONSIBILITY STATEMENT

The Company and the Directors, whose names are set out in section 3 (*Directors*) of this Part 4, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. COMPANY NAME, LEGAL FORM AND REGISTERED OFFICE

The Company was incorporated and registered in Jersey on 3 June 2009 under the Jersey Companies Law as a public limited company with the name Wizz Air Holdings Plc and with registered number 103356.

The Company's registered office is situated at 44 Esplanade, St. Helier, JE4 9WG, Jersey. The Directors' business address is the Company's registered office. The telephone number of the Company's registered office is +44 1534 504000.

The principal legislation under which the Company operates and the Ordinary Shares have been created is the Jersey Companies Law and regulations made thereunder.

The Company's website is [www.wizzair.com](http://www.wizzair.com). The information on this website does not form part of this Circular unless that information is incorporated by reference into the Circular.

#### 3. DIRECTORS

The Directors and their respective positions in the Company are as follows:

William A. Franke	( <i>Chairman</i> )
József Váradi	( <i>Chief Executive Officer</i> )
Charlotte Andsager	( <i>Non-Executive Director</i> )
Enrique Dupuy de Lome Chavarri	( <i>Non-Executive Director</i> )
Andrew S. Broderick	( <i>Non-Executive Director</i> )
Barry Eccleston	( <i>Non-Executive Director and Senior Independent Director</i> )
Anna Gatti	( <i>Non-Executive Director</i> )
Stephen L. Johnson	( <i>Deputy Chair and Non-Executive Director</i> )
Charlotte Pedersen	( <i>Non-Executive Director</i> )
Dr. Anthony Radev	( <i>Non-Executive Director</i> )
Phit Lian Chong	( <i>Non-Executive Director</i> )

#### 4. DIRECTORS' AND SENIOR MANAGERS' INTERESTS

4.1 As at 12 July 2023 (being the latest practicable date prior to the publication of this Circular), the interests (all of which are beneficial) of the Directors and Senior Managers and persons closely associated with them within the meaning of UK MAR in the issued share capital of the Company that have been notified by each Director and Senior Manager to the Company pursuant to UK MAR are as follows:

Directors	Direct ownership		Interests		Total Ordinary Shares Interests
	Number of Ordinary Shares		Number of Ordinary Shares	Number of Convertible Shares	
William A. Franke <sup>(1)</sup> . . . . .	212,917		24,759,645	24,246,715	24,972,562
József Váradi <sup>(2)</sup> . . . . .	—		1,494,472	—	1,494,472
Charlotte Andsager . . . . .	4,000		—	—	4,000
Enrique Dupuy de Lome Chavarri . . . . .	—		—	—	—
Andrew S. Broderick . . . . .	3,871		—	—	3,871
Barry Eccleston . . . . .	5,000		—	—	5,000
Anna Gatti . . . . .	—		—	—	—
Stephen L. Johnson . . . . .	52,750		—	—	52,750
Charlotte Pedersen . . . . .	685		—	—	685
Dr. Anthony Radev . . . . .	5,000		—	—	5,000
Phit Lian Chong. . . . .	—		—	—	—

**Notes:**

- (1) Mr. Franke is deemed to be interested in all of the Ordinary Shares and Convertible Shares held by Indigo Hungary LP, Indigo Maple Hill, LP, Indigo Hungary Management LLC and Bigfork Partners LLC as persons closely associated with him within the meaning of UK MAR. Indigo Hungary LP and Indigo Maple Hill, LP also hold convertible notes that, subject to certain conditions, are convertible into Ordinary Shares of the Company.
- (2) Mr. Váradi is deemed to be interested in the Ordinary Shares held by his family trust companies.

Senior Managers	Total Ordinary Shares Interests
Florina Alexandra Avadanei . . . . .	6,337
Robert Carey . . . . .	6,936
Diarmuid O'Conghaile . . . . .	—
Michael Delehant . . . . .	—
Johan Eidhagen . . . . .	—
Marion Geoffroy . . . . .	8,250
Joel Goldberg . . . . .	—
Heiko Holm . . . . .	27,776
Owain Jones . . . . .	—
Veronika Jung . . . . .	—
Ian Malin . . . . .	—
Yvonne Moynihan . . . . .	10,489
Zsuzsanna Poós . . . . .	—
Roland Tischner . . . . .	—
Janos Pal. . . . .	—
Silvia Mosquera . . . . .	—

4.2 In addition to the interests in the share capital of the Company described in section 4.1 above, the following awards and options have been granted to Directors and Senior Managers which remain outstanding as at 12 July 2023 (being the latest practicable date prior to the publication of this Circular):

Save as disclosed in sections 4.1 and 4.2 of this Part 4, none of the Directors or Senior Managers have any interest in the issued share capital of the Company.

4.3

## 5. DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

5.1 Other than as set out below, there are no existing or proposed service contracts or letters of appointment between any Director and any member of the Group except for the contracts and letters of appointment (as from time to time amended) details of which were included in the 2023 Annual Report and Accounts and a summary of which is provided below.

### *Executive Director*

5.2 The Chief Executive Officer entered into a service agreement with the Swiss branch of the Company on 1 January 2019, which was extended on 5 August 2021. Since 1 September 2022, Mr. Váradi's service agreement has instead been with Wizz Air UK Limited. The Company continues to have the right to terminate Mr. Váradi's employment with immediate effect by payment in lieu of notice. The service agreement contains post-termination restrictive covenants preventing Mr. Váradi from competing with the Company or any of its business partners in the EU as well as those non-EU countries where the Group operates, for a period of one year following the termination of his employment. Mr. Váradi will be paid a sum equal to six months' base salary if the Company chooses to enforce these restrictive covenants. Upon termination of employment other than for cause, Mr. Váradi is entitled to a severance payment equal to six months' salary in addition to any notice pay or payment in lieu of notice.

### *Non-Executive Directors*

5.3 The Company entered into letters of appointment with Mr. William A. Franke and Mr. Stephen L. Johnson on 4 June 2014 which became effective on completion of the IPO for a term of three years. This term was extended for a further three years, effective from 2 March 2018. The term of each reappointment was thereafter renewed on a rolling one-year basis, subject to re-election at the Company's annual general meeting. Mr. Barry Eccleston and Mr. Andrew Broderick were respectively appointed on 1 June 2018 (and thereafter renewed on a rolling one-year basis subject to re-election at the Company's annual general meeting) and 16 April 2019. On 1 June 2021, Mr. Barry Eccleston's appointment was extended for a further one year. Ms. Charlotte Pedersen was appointed on 20 May 2020. Ms. Charlotte Pedersen's appointment was extended on 1 June 2021 (on a rolling one-year basis subject to re-election at the Company's annual general meeting) Mr. Dupuy de Lome Chavarri and Ms. Charlotte Andsager were appointed on 4 November 2020. Dr. Anthony Radev was appointed on 13 April 2021. Ms. Anna Gatti was appointed on 4 November 2021. Phit Lian Chong was appointed to the Board on 5 July 2023 and will stand for election by shareholders at the 2023 AGM. Each Non-Executive Director's appointment may be terminated by the Company or the Non-Executive Director with one month's written notice. Continuation of the appointment is contingent on continued satisfactory performance and re-election at the Company's annual general meetings and the appointment will terminate automatically on the termination of the appointment by the Shareholders or, where Shareholder approval is required for the appointment to continue, the withholding of approval by the Shareholders. Re-appointment will be reviewed annually by the Nomination and Governance Committee. The Non-Executive Directors received letters in March 2023 noting that their re-appointment would run from 1 April 2023 until 31 March 2024, subject to re-election at the Company's annual general meeting.

5.4 During FY 2023, the Board made changes to the structure of the Non-Executive Directors' fees, which were last updated in FY 2019 against external benchmarks. The Remuneration Committee agreed that the basic Non-Executive Director fee be set at €100,000 per annum and that all committee chairs would receive an additional €25,000. For committee membership (other than the position of committee chair), an additional fee of €12,500 will be paid. The Deputy Chair and the Senior Independent Director will each receive an additional fee of €20,000 and the Director responsible for employee engagement will receive €2,500 per physical employee event attended. During FY 2024, the Non-Executive Director fees will be consistent with FY 2023.

5.5 Mr. Franke, as Chairman, receives a fee of €336,000 per annum for taking on that role.

5.6 The Non-Executive Directors will also be reimbursed for all proper and reasonable expenses incurred in performing their duties.

5.7 In accordance with the terms of the letters of appointment described above, each of the Non-Executive Directors is required to allocate sufficient time to discharge their responsibilities effectively. Each letter of appointment contains obligations of confidentiality, which have effect during the appointment and after termination thereof.

5.8 The date of appointment/reappointment and expiry date of the Executive Directors and Non-Executive Directors' current service contracts/letters of appointment (as applicable) are set out below:

	<b>Date of appointment in current service contract or letter of appointment/date of first appointment to the Board</b>	<b>Expiry date of service contract letter of appointment</b>
<b>Executive Director</b>		
József Váradi .....	5 August 2021/16 June 2009	N/A
<b>Non-Executive Directors</b>		
William A. Franke .....	1 March 2021/7 October 2009	N/A
Charlotte Andsager.....	4 November 2020/4 November 2020	N/A
Enrique Dupuy de Lome Chavarri..	4 November 2020/4 November 2020	N/A
Andrew S. Broderick .....	16 April 2019/16 April 2019	N/A
Barry Eccleston .....	1 June 2021/1 June 2018	N/A
Anna Gatti .....	4 November 2021/4 November 2021	N/A
Stephen L. Johnson .....	1 March 2021/5 August 2011	N/A
Charlotte Pedersen .....	1 June 2021/20 May 2020	N/A
Dr. Anthony Radev.....	13 April 2021/13 April 2021	N/A
Phit Lian Chong.....	5 July 2023	N/A

## 6. MAJOR INTERESTS IN SHARES

6.1 So far as is known to the Company, the names of any persons other than a Director who, directly or indirectly, holds 3% or more of the Company's voting rights and has been notified under the Disclosure Guidance and Transparency Rules as at 12 July 2023 (being the latest practicable date prior to the publication of this Circular) are as follows:

Name	Number of Ordinary Shares as notified to the Company	Percentage of current Issued Share Capital
Indigo Hungary LP .....	18,950,611	18.3%
Capital International Investors .....	8,102,310	7.8%
Fidelity International.....	7,018,373	6.8%
Fidelity Management & Research Company LLC ..	6,241,745	6.0%
Indigo Maple Hill, LP.....	5,734,284	5.6%
Baillie Gifford & Co. .....	5,681,937	5.5%
Capital Research Global Investors .....	4,044,518	3.9%
BlackRock Investment Management (UK) Ltd....	3,187,112	3.1%

6.2 The Company's major Shareholders do not have voting rights attached to the Ordinary Shares they hold that are different to those held by the other Shareholders.

6.3 Save as set out in section 6.1 of this Part 4, as at 12 July 2023 (being the latest practicable date prior to the publication of this Circular), the Company is not aware of any person who directly or indirectly has an interest in the Company's issued ordinary share capital which is notifiable under the Disclosure Guidance and Transparency Rules by virtue of exceeding the relevant thresholds of total voting rights attaching thereto.

## 7. WORKING CAPITAL

The Company is of the opinion that the working capital available to the Group, taking into account its cash resources and the Group's Existing Committed Aircraft Financing Arrangements, is sufficient for its present requirements, that is for at least the next 12 months from the date of publication of this Circular.

## 8. PROFIT FORECAST

- 8.1 On 8 June 2023, as part of its results for FY 2023, the Company provided guidance on its expected net profit for FY 2024 which constitutes a Profit Forecast for the purposes of the Listing Rules. Wizz Air expects the Company's net profit to be in a range between €350 and €450 million in FY 2024.
- 8.2 The Directors have considered and confirm that the Profit Forecast remains correct as at the date of this Circular.

### *Basis of preparation*

- 8.3 The Profit Forecast has been compiled and prepared on a basis which is both (i) comparable with the historical financial information presented in the 2021 Annual Report and Accounts, 2022 Annual Report and Accounts, and 2023 Annual Report and Accounts; and (ii) consistent with the accounting policies of Wizz Air used for the purposes of preparation of the 2021 Annual Report and Accounts, 2022 Annual Report and Accounts, and 2023 Annual Report and Accounts, which are expected by the Directors to be applicable for FY 2024 and which are in accordance with IFRS as adopted by the EU.

### *Assumptions*

- 8.4 The Directors have prepared the Profit Forecast on the basis of the following assumptions each of which could materially change the outcome of the Profit Forecast.
- 8.5 Factors outside the influence or control of the Directors:
  - (a) there will be no adverse exogenous events such as an incremental impact from the war in Ukraine, delivery delays, or similar that would materially affect the Group during the forecast period to 31 March 2024;
  - (b) the revenue performance of the Company for the summer period in 2023 as well as the second half of FY 2024 will be in line with expectations;
  - (c) there will be no material changes in market conditions over the forecast period to 31 March 2024 in relation to either customer demand or the competitive environment;
  - (d) there will be no material change in legislation or regulatory requirements impacting the Group's operations or its accounting policies;
  - (e) there will be no business disruptions that materially affect the Group, its customers or operations, including natural disasters, acts of terrorism, cyber-attack and/or technological issues, air traffic control strikes or industry-wide technical issues with the aircraft models currently used by the Group;
  - (f) US\$/Euro foreign exchange rates will be an average of US\$1.08 for the remainder of the forecast period to 31 March 2024;
  - (g) jet fuel price will be in the region of US\$850 per metric tonne for the remainder of the forecast period to 31 March 2024;
  - (h) there will be no service bulletins resulting in additional unexpected maintenance to be performed on the Group's aircraft.
- 8.6 Factors within the influence or control of the Directors:
  - (a) there will be no material acquisitions or disposals of businesses during FY 2024;

- (b) there will be no material change in the present management or control of the Group or its existing operational strategy;
- (c) ASK capacity will grow approximately 30% for FY 2024 compared to FY 2023;
- (d) load factors will be above 90% for FY 2024; and
- (e) ex-fuel CASK will be lower in FY 2024 compared to FY 2023.

## 9. MATERIAL CONTRACTS

No contracts have been entered into (other than contracts entered into in the ordinary course of business) by the Company or any member of the Group either: (i) within the period of two years immediately preceding the date of this Circular, which are or may be material to the Group; or (ii) which contain any provisions under which any member of the Group has any obligation or entitlement which is, or may be, material to the Group as at the date of this Circular, save for:

- (a) the 2022 NEO Purchase Agreement Amendment which is summarised in Part 3: *“Summary of the terms and conditions of the Existing NEO Purchase Agreement and the 2022 NEO Purchase Agreement Amendment”* of this Circular;
- (b) the 2021 NEO Purchase Agreement Amendment which is summarised in Part 3: *“Summary of the terms and conditions of the Existing NEO Purchase Agreement and the 2021 NEO Purchase Agreement Amendment”* of the 2022 Circular;
- (c) the 2019 NEO Purchase Agreement Amendment which is summarised in Part 3: *“Summary of the terms and conditions of the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment”* of the 2019 Circular;
- (d) the 2017 NEO Purchase Agreement Amendment, which is summarised in Part 3: *“Summary of the terms and conditions of the Existing NEO Purchase Agreement and the NEO Purchase Agreement Amendment”* of the 2018 Circular;
- (e) the Existing NEO Purchase Agreement which is summarised in Part 3: *“Summary of the terms and conditions of the New Airbus Agreement”* of the 2015 Circular;
- (f) the material contracts disclosed in paragraphs 13.7 to 13.9 of Section 13 (*Material contracts*) of Part XI: *“Additional Information”* of the IPO Prospectus, which are hereby incorporated by reference into this Circular; and
- (g) ***Pre-delivery Payment Financing Facility Agreement***

On 10 February 2023, the Company (by way of a special purpose vehicle), Carlyle Aviation, RFL and Airbus, among others, entered into a revolving pre-delivery payment financing facility agreement (the “PDP Facility”), not exceeding approximately USD\$281 million in aggregate, in order to finance Wizz Air’s pre-delivery payment obligations in respect of certain Airbus A321neo Aircraft, of which some have already been delivered. The remaining aircraft are due to be delivered between July 2023 and June 2024. This PDP Facility is not associated with the Purchase Rights to which this Circular relates.

The Company may draw down on the funds under this PDP Facility, subject to the satisfaction of certain conditions, for the term of the facility. Interest on the principal pre-delivery payment loan(s) is charged at a floating rate and is payable monthly to RFL (as lender) throughout the loan period. In the event that the Company fails to make an interest payment or any other payment due under the PDP Facility, a penalty surcharge above the floating rate will apply for the period it continues to be outstanding. Any delayed interest payments are payable on demand. The loan drawn in respect of each aircraft must, generally, be repaid in full on the delivery of that aircraft. On this repayment date, the Company must repay both the principal loan amount and any accrued interest outstanding. The

Company may, following a written notice to Carlyle Aviation (as facility agent), prepay, in full or in part, the loans under the PDP Facility without penalty or prepayment fee.

The Company has the option to finance additional Airbus A321neo Aircraft under the same financing arrangement provided any reborrowing and/or scheduled aircraft deliveries take place prior to February 2026 and subject to certain conditions.

Under the PDP Facility, the Company controls and manages the day-to-day operation of the transaction on behalf of the special purpose vehicle. However, consent from RFL is required for any proposed deferral of an aircraft's delivery date which changes the delivery date by a specified period from the contractually scheduled date of delivery.

Under the PDP Facility documentation, certain events, including, *inter alia*, the termination of the Existing NEO Purchase Agreement or a material event of default under the PDP Facility, such as non-payment, will trigger RFL's rights to step in and purchase the aircraft.

(h) ***Lufthansa Technik Agreements***

On 1 February 2023, Wizz Air Hungary, Wizz Air Malta and Lufthansa Technik entered into a Framework Agreement pursuant to which Lufthansa Technik agreed to provide aircraft-related technical and support services for the Airbus A320neo Family Aircraft, including, but not limited to, the provision of engineering services in respect of the aircraft, engines and components, to enable Wizz Air to comply with its obligations under the applicable airworthiness regulations. Such services are subject to the scoping parameters set out in the technical schedules to the agreement. The initial term of the Framework Agreement expires on 1 February 2026. The Framework Agreement will, however, automatically renew for a further two years unless Wizz Air gives written notice to the contrary prior to 31 July 2025. At any time during the two-year extension, Wizz may, acting in its sole discretion, terminate the Framework Agreement having given six-months' written notice. The basic agreement may not be terminated or expire as long as at least one of the additional contracts, incorporating the terms of the basic agreement which detail the specific services to be provided and set out the pricing structure, is still effective. Either party may terminate the basic agreement, or any of the attachments, with immediate effect if the other party becomes insolvent or unable to pay its debts or in the instance of a material breach. Under the Framework Agreement, Wizz Air must maintain, for a minimum period of two years after the termination or expiry of the agreement, insurance such that the cover in favour of Lufthansa Technik is not invalidated by any act, omission, breach or violation by Wizz Air of any of its obligations.

On 21 July 2022, Wizz Air Hungary, Wizz Air UK, Wizz Air Abu Dhabi and Lufthansa Technik entered into a Total Component Support Agreement, effective as of 1 August 2022, pursuant to which the parties agreed that Lufthansa would be the exclusive supplier of certain components required for, *inter alia*, the maintenance, repair, and refurbishment of Wizz's aircraft. Payments under this agreement are to be calculated based on flight hour rates, fixed price payments and prices calculated on a time and material basis, as agreed between the parties. In the instance of delay, Wizz's right to damages is restricted to the compensation mechanism set out in the agreement under which Wizz is entitled to a rebate of a percentage of its annual spend with Lufthansa Technik. Unless terminated prematurely, the agreement expires on 30 September 2032. Either party may terminate the agreement in whole or in part by written notice to the other party on the occurrence of an uncured material breach, insolvency or a change of control in the ownership of Lufthansa, among others. In the instance that either party terminates for reasons of a material breach, the terminating party would benefit from certain refunds. Lufthansa Technik has the sole option to terminate the agreement for convenience, by way of written notice, in September 2027, effective as of 30 September 2028. Wizz Air has the sole right to enter into a services' market benchmarking process as set out in the agreement. Neither party, however, have the option to terminate in the case of inflation related price escalation or a change of assumptions.

(i) ***Amended and Restated PW1100G-JM Engine Purchase and Support Agreement***

On 27 September 2019, Wizz Air Hungary entered into the 2019 Engine Purchase Agreement with IAE, pursuant to which IAE agreed to supply PW1100G-JM engines (PW1127G-JM for the Airbus A320neo Aircraft and PW1133G-JM for the Airbus A321neo Aircraft and the Airbus A321XLR Aircraft) for installation on the 276 aircraft subject to the 2019 Engine Purchase Agreement and to sell 41 spare engines to Wizz Air Hungary (Wizz Air Hungary also has the option to purchase up to an additional three spare engines). On the same date, Wizz Air Hungary and IAE entered into a fleet management program agreement in relation to the provision of off-wing engine maintenance services by IAE to Wizz Air Hungary in respect of the engines for the 276 aircraft subject to the 2019 Engine Purchase Agreement.

Under the 2019 Engine Purchase Agreement, IAE warrants to Wizz Air Hungary that the PW1100G-JM engines will be free from defect in material and manufacture and will conform substantially to applicable specifications when furnished by IAE.

A termination event will occur under the 2019 Engine Purchase Agreement in the event that, *inter alia*, (i) Wizz Air Hungary or IAE is involved in any bankruptcy, insolvency, liquidation or similar proceedings or either Wizz Air Hungary or IAE seeks the appointment of a receiver, trustee, custodian or other similar official for itself or for substantially all of its assets; (ii) an action is commenced against Wizz Air Hungary or IAE seeking issuance of a warrant of attachment, execution, restraint or similar process against all or any substantial part of its assets which remains discharged for a period of 60 days; (iii) a continuing event of default exceeding 30 days by Wizz Air Hungary on any payment of principal or interest on any indebtedness under the 2019 Engine Purchase Agreement or in the payment of any guarantee obligation under the 2019 Engine Purchase Agreement or under any IAE financing agreement with Wizz Air Hungary for the 276 aircraft subject to the 2019 Engine Purchase Agreement; (iv) there is a failure to take delivery of the 276 aircraft subject to the 2019 Engine Purchase Agreement or spare engines which are the subject of the 2019 Engine Purchase Agreement in accordance with the agreed delivery schedule subject to any applicable grace period or excusable delay period; or (v) IAE delays delivery of any spare engine beyond twelve months after the time of delivery specified in the 2019 Engine Purchase Agreement as may be extended under the agreement and subject to a grace period. In addition, Wizz Air may also cancel delivery of up to 20% of the engine deliveries for the 276 aircraft subject to the 2019 Engine Purchase Agreement in certain circumstances.

(j) ***Second Amended and Restated PW1100G-JM Engine Purchase and Support Agreement***

On 28 January 2021, Wizz Air Hungary entered into the 2021 Engine Purchase and Support Agreement Amendment with IAE, to confirm the commercial conditions under which IAE provides and supports PW1100G-JM engines for the Airbus A321neo Aircraft to be operated by Wizz Air Abu Dhabi LLC. The 2021 Engine Purchase and Support Agreement Amendment also governs commercial conditions applicable to Wizz Air UK Ltd. The aircraft subject to the 2021 Engine Purchase and Support Amendment Agreement are part of the 276 aircraft contracted already in the 2019 Engine Purchase Agreement with IAE, and therefore do not represent commitment of additional engines to IAE.

(k) (i) ***Aircraft sale and leaseback agreements***

*CAVIC*

On 10 October 2022, Wizz Air Hungary concluded sale arrangements with CAVIC in relation to the sale and leaseback of four Airbus A321neo Aircraft. Under such arrangements, one aircraft was delivered in June 2023, two aircraft are to be delivered in July 2023, and one aircraft is to be delivered in October 2023.

Concurrently, on 10 October 2022, Wizz Air Fleet Management concluded sale arrangements with CAVIC in relation to the sale and leaseback of a further three Airbus A321neo Aircraft. Under such arrangements, one aircraft is to be delivered in August 2023, one aircraft is to be delivered in December 2023, and one aircraft is to be delivered in February 2024. These

agreements recognise that Wizz Air Fleet Management will, upon delivery of the aircraft, immediately sub-lease the aircraft to Wizz Air Hungary as the designated initial sub-lessee.

The main transaction documents comprise a total of seven aircraft sale and lease agreements, pursuant to which CAVIC has leased seven aircraft to Wizz Air Hungary and Wizz Air Fleet Management as applicable, and each for an initial term of eight years from the date on which the relevant aircraft is delivered to Wizz Air Hungary or Wizz Air Fleet Management, as applicable.

During the term of each lease agreement, Wizz Air Hungary and Wizz Air Fleet Management, as applicable, must, at their own expense and at all times, ensure the airworthiness of the aircraft, maintain the aircraft in accordance with a maintenance programme approved by the relevant aviation authorities and keep the aircraft in compliance with applicable mandatory regulatory requirements.

Wizz Air Hungary (as either the lessee or the initial sub-lessee as the case may be) benefits from the manufacturer's warranties, effective as of the date the aircraft is delivered, subject to the consent of the manufacturer.

Wizz Air Hungary and Wizz Air Fleet Management, as applicable, have agreed to assume liability for and indemnify CAVIC for all losses incurred in connection with an event of default, including any loss of profit caused by CAVIC's inability to place the aircraft on lease with another lessee on terms as favourable. Such events of default include any failure by the lessee to pay rent due or a failure to keep the aircraft properly insured.

#### *CMB*

On 24 November 2022, Wizz Air Hungary concluded sale arrangements with CMB in relation to the sale and leaseback of four Airbus A321neo Aircraft. Under such arrangements one aircraft was delivered in May 2023, with two aircraft to be delivered in July 2023 and one aircraft to be delivered in December 2023. Each aircraft is to be leased to Wizz Air Malta.

The main transaction documents comprise a total of four aircraft sale and lease agreements, pursuant to which CMB has leased the aircraft to Wizz Air Malta for an initial term of eight years from the date on which the relevant aircraft is delivered to Wizz Air Malta.

Wizz Air Malta will have the benefit of the manufacturer's warranties, effective as of the date the aircraft is delivered.

Wizz Air Malta has agreed to assume liability for and indemnify CMB for all losses incurred in connection with an event of default, including any loss of profit arising because of CMB's inability to place the aircraft on lease with another lessee on terms as favourable. Such events of default include any failure by Wizz Air Malta to pay rent due. If an event of default occurs, CMB may, among other actions, repossess the aircraft.

During the term of each lease agreement, Wizz Air Malta must, at its own expense and at all times, ensure the airworthiness of the aircraft, maintain the aircraft in accordance with a maintenance programme approved by the relevant aviation authorities and keep the aircraft in compliance with certain mandatory regulatory requirements.

#### *DAIL*

On 21 October 2022, Wizz Air Hungary concluded sale arrangements with DAIL in relation to the sale and leaseback of two Airbus A321neo Aircraft which are to be delivered in October 2023 and December 2023.

The main transaction documents comprise a total of two aircraft sale and lease agreements, pursuant to which DAIL has leased the aircraft to Wizz Air Hungary for an initial term of eight years from the date on which the relevant aircraft is delivered to Wizz Air Hungary.

Wizz Air Hungary has the benefit of the manufacturer's warranties, product support packages and service life policies for the duration of each lease.

Wizz Air Hungary has agreed to indemnify DAIL for all damages incurred by DAIL in connection with the termination event, including any loss of profit arising out of DAIL's inability to place the aircraft on lease with another lessee on terms as favourable. Such termination events include any failure by Wizz Air Hungary to pay rent due.

During the term of the lease agreement, Wizz Air Hungary must, at its own expense and at all times, ensure the airworthiness of the aircraft, maintain the aircraft in accordance with a maintenance programme approved by the relevant aviation authorities and keep the aircraft in compliance with applicable mandatory regulatory requirements.

In the instance that a change of law or regulation renders the operation of the lease unlawful, the parties are obliged to consult on a restructuring of the transaction in good faith. Wizz Air Hungary would have to bear the cost of any such restructuring. If no agreement is reached within sixty days, then either party may, by written notice to the other, terminate the lease.

#### *JLPS*

On 13 September 2022, Wizz Air Hungary concluded sale arrangements with JLPS in relation to the sale and leaseback of eight Airbus A321neo Aircraft. Under such arrangements one aircraft was delivered in May 2023 and one aircraft was delivered in June 2023. The remaining six aircraft are to be delivered between August 2023 and March 2024.

The main transaction documents comprise a total of eight aircraft sale and lease agreements, pursuant to which JLPS has leased the aircraft to Wizz Air Malta for an initial term of eight years from the date on which the relevant aircraft is delivered.

Wizz Air Malta benefits from the manufacturer's warranties, effective as of the date the aircraft is delivered, subject to the consent of the manufacturer.

Wizz Air Malta has agreed to indemnify JLPS on demand against any loss incurred in connection with an event of default, including any loss of profit arising because of JLPS's inability to place the aircraft on lease with another lessee on terms as favourable. Such events of default include any failure by Wizz Air Malta to pay rent due. If an event of default occurs, JLPS may, among other actions, repossess the aircraft.

During the term of each lease agreement, Wizz Air Malta must, at its own expense and at all times, ensure the airworthiness of the aircraft, maintain the aircraft in accordance with a maintenance programme approved by the relevant aviation authorities and keep the aircraft in compliance with applicable mandatory regulatory requirements.

#### *ORIX*

On 28 October 2022, Wizz Air Hungary concluded sale arrangements with ORIX in relation to the sale and leaseback of three Airbus A321neo Aircraft. Under such arrangements, one aircraft was delivered in July 2023 and the two remaining aircraft are to be delivered in September 2023 and October 2023.

The main transaction documents comprise three aircraft sale and lease agreements, pursuant to which ORIX has leased the aircraft to Wizz Air Malta for an initial term of eight years from the date the relevant aircraft is delivered.

Wizz Air Malta benefits from the manufacturer's warranties, effective as of the date the aircraft is delivered, subject to the consent of the manufacturer.

Wizz Air Malta has agreed to assume liability for and indemnify ORIX on demand for any loss incurred in connection with an event of default, including any loss of profit arising because of ORIX's inability to place the aircraft on lease with another lessee on terms as favourable. Such

events of default include any failure by Wizz Air Malta to pay rent due. If an event of default occurs, ORIX may, among other actions, repossess the aircraft.

During the term of each lease agreement, Wizz Air Malta must, at its own expense and at all times, ensure the airworthiness of the aircraft, maintain the aircraft in accordance with a maintenance programme approved by the relevant aviation authorities and keep the aircraft in compliance with certain mandatory regulatory requirements.

(ii) ***Aircraft sale and leaseback agreements, including an option to purchase aircraft in year 10 of the lease term (Japanese Operating Lease with Call Option, or JOLCO)***

**SMFL – SMBC**

On 2 November 2022, Wizz Air Fleet Management concluded three JOLCO arrangements with the SMBC Group, in relation to the sale and leaseback of three Airbus A321neo aircraft (with an option to purchase each aircraft during their respective lease terms). On 2 November 2022, Wizz Air Hungary and Wizz Air Malta concluded a fourth JOLCO arrangement with the SMBC Group, in relation to the sale and leaseback of a fourth Airbus A321neo aircraft (with an option to purchase each aircraft during their respective lease terms).

In relation to each aircraft, the main transaction documents comprise an aircraft lease agreement and a loan agreement, pursuant to which, for three of the four aircraft, the relevant member of the SMBC Group acquires the aircraft from, and subsequently leases the aircraft back to, Wizz Air Fleet Management for an initial term of approximately fourteen years from the date on which the aircraft is delivered to the relevant member of the SMBC Group. In the case of the fourth aircraft, the relevant member of the SMBC Group acquires the aircraft from Wizz Air Hungary and subsequently leases that aircraft back to Wizz Air Malta for an initial term of approximately fourteen years from the date on which the aircraft is delivered to the relevant member of the SMBC Group. In order to finance the purchase of each of the aircraft, SMBC provided a loan to cover a portion of the purchase price of each aircraft. Under each of the lease agreements, Wizz Air Fleet Management and Wizz Air Malta, as applicable, have an option to purchase the aircraft at a predetermined price in the tenth year of each lease term, upon giving written notice no earlier than eighteen months and no later than twelve months prior to the relevant purchase option date. For each aircraft, the exercise of the applicable purchase option is without prejudice to the rights of Wizz Air Fleet Management, Wizz Air Malta or the relevant member of the SMBC Group to terminate the leasing of the applicable aircraft following the occurrence of an event of default or an occurrence of an intervening event in which case specified termination values must be paid by Wizz Air Fleet Management or Wizz Air Malta, as applicable.

Wizz Air Fleet Management subsequently sub-leased the three aircraft within the Wizz Air Group, to Wizz Air Malta. Under corresponding warranty assignment agreements to each of these lease agreements, Wizz Air Malta will benefit from all manufacturer's warranties, performance guarantees or service life policies in respect of the airframe and engines, unless and until an event of default has occurred and is continuing. Upon the occurrence of an event of default which is continuing, the relevant member of the SMBC Group may request the immediate return of the applicable aircraft or seek repossession of that aircraft.

Wizz Air Fleet Management and Wizz Air Malta, as applicable, have agreed to indemnify the relevant member of the SMBC Group on demand against any cost, claim, loss, expense or liability incurred in connection with an event of default, including payment of relevant termination values that become payable on the date of lease termination. Such events of default include any failure by Wizz Air Fleet Management or Wizz Air Malta, as applicable, to pay rent due within three business days and any failure to keep the aircraft properly insured.

During the term of the lease agreement, Wizz Air Fleet Management and Wizz Air Malta, as applicable, must, at their own expense and at all times, ensure the airworthiness of the aircraft, maintain the aircraft in accordance with a maintenance programme approved by the relevant

aviation authorities and keep the aircraft in compliance with certain mandatory regulatory requirements.

*SBI-CACIB-CIC*

On 16 December 2022, Wizz Air Malta concluded three JOLCO arrangements with the SBI Group in relation to the sale and leaseback of three Airbus A321neo Aircraft (with an option to purchase the aircraft during the lease term).

For each of the three aircraft, the main transaction documents comprise an aircraft lease agreement and a loan agreement, pursuant to which the SBI Group acquires the aircraft from Wizz Air Hungary and subsequently leases the aircraft back to Wizz Air Malta for an initial term of approximately twelve years from the date on which the relevant aircraft is delivered to the relevant member of the SBI Group. In order to finance the purchase of each of the aircraft, each of the SBI Group has borrowed a portion of the respective aircraft's purchase price from CACIB and CIC. Under the lease agreements, Wizz Air Malta has an option to purchase the aircraft at a predetermined price in the tenth year of the lease term, upon giving written notice no earlier than eighteen months and no later than twelve months prior to the purchase option date. For each aircraft, the exercise of the applicable purchase option is without prejudice to the rights of Wizz Air Malta or the relevant member of the SBI Group to terminate the leasing of the applicable aircraft following the occurrence of an event of default or an occurrence of an intervening event in which case specified termination values must be paid by Wizz Air Malta.

Under corresponding warranty assignment agreements to each of these lease agreements, Wizz Air Malta will benefit from all manufacturer's warranties, performance guarantees or service life policies in respect of the airframe and engines, unless and until an event of default has occurred and is continuing. Upon the occurrence of an event of default which is continuing, the relevant member of the SBI Group may request the immediate return of the applicable aircraft or seek repossession of that aircraft.

Wizz Air Malta has agreed to indemnify the relevant member of the SBI Group on demand against any cost, claim, loss, expense or liability incurred in connection with an event of default, including payment of relevant termination values that become payable on the date of lease termination. Such events of default include any failure by Wizz Air Malta to pay rent due within five business days and any failure to keep the aircraft properly insured.

During the term of the lease agreement, Wizz Air Malta must, at its own expense and at all times, ensure the airworthiness of the aircraft, maintain the aircraft in accordance with a maintenance programme approved by the relevant aviation authorities and keep the aircraft in compliance with certain mandatory regulatory requirements.

## **10. RELATED PARTY TRANSACTIONS**

10.1 The following are the related party transactions (which for these purposes are those set out in the Standards adopted according to Regulation (EC) No 1606/2002), that the Company has entered into during each of FY 2021, FY 2022 and FY 2023 and up to the date of this Circular:

- (a) transactions with key management personnel, further details of which are included in note 35 on page 154 of the 2021 Annual Report and Accounts, in note 35 on page 182 of the 2022 Annual Report and Accounts and in note 34 on page 213 of the 2023 Annual Report and Accounts each of which is hereby incorporated by reference into this Circular; and
- (b) transactions with Indigo Partners LLC, further details of which are included in note 35 on page 154 of the 2021 Annual Report and Accounts, in note 35 on page 182 of the 2022 Annual Report and Accounts and in note 34 on page 213 of the 2023 Annual Report and Accounts each of which is hereby incorporated by reference into this Circular.

10.2 Save as set out above, there were no related party transactions entered into by the Company during the three years ended 31 March 2023, and there have been no related party transactions entered into by the Company since 31 March 2023.

## **11. LITIGATION**

Save as disclosed below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the twelve months preceding the date of this Circular, which may have or have had in the recent past a significant effect on the Company's and/or Group's financial position or profitability.

### **11.1 *European Commission state aid investigations***

Between 2011 and 2015, the European Commission initiated state aid investigations with respect to certain arrangements made between Wizz Air and the following airports, respectively: Timișoara, Cluj-Napoca, Târgu Mureș, Beauvais and Girona. In the context of these investigations, Wizz Air has submitted its legal observations and supporting economic analyses of the relevant arrangements to the European Commission, which are currently under review. The European Commission has given notice that the state aid investigations involving Wizz Air will be assessed on the basis of the "EU Guidelines on State aid to airports and airlines" which were adopted by the European Commission on 20 February 2014. Where relevant, Wizz Air has made further submissions to the European Commission in response to this notification. In relation to the Timișoara arrangements, the European Commission confirmed on 24 February 2020 that the arrangements did not constitute state aid. Wizz Air is awaiting decisions in relation to the other airport arrangements mentioned above. Ultimately, an adverse decision by the European Commission could result in a repayment order for the recovery from Wizz Air of any amount determined by the European Commission to constitute illegal state aid. None of these ongoing investigations are expected to lead to exposure that is material to the Group.

### **11.2 *Claims by Carpatair***

Between 2011 and 2013, Carpatair, a regional airline based in Romania, initiated a number of legal proceedings in Romania alleging that Wizz Air has been receiving state aid from Timișoara airport, demanding that Wizz Air reimburse any such state aid. In addition, Carpatair initiated an action for damages demanding recovery from Wizz Air of approximately €93.0 million in alleged damages. This damages claim was dismissed by the Bucharest court of appeals on the basis of the substantive argument that Carpatair lacks an interest in the matter. In 2023, the Romanian Supreme Court dismissed the claim entirely.

## **12. SIGNIFICANT CHANGE**

There has been no significant change in the financial position or financial performance of the Group since 31 March 2023, the date to which the Company's latest audited financial information for the financial year ended 31 March 2023 was published.

### 13. INFORMATION INCORPORATED BY REFERENCE

13.1 The following information has been incorporated into this Circular by reference:

Information incorporated by reference number	Where incorporated in this Circular	Page
Paragraphs 13.4 to 13.5 and 13.7 to 13.9 of Section 13 ( <i>Material contracts</i> ) of Part XI:		
“Additional Information” of the IPO Prospectus .....	Section 9 of this Part 4	269-272
Note 35 to the 2021 Annual Report and Accounts.....	Section 10 of this Part 4	153-154
Note 35 to the 2022 Annual Report and Accounts.....	Section 10 of this Part 4	182
Note 34 to the 2023 Annual Report and Accounts.....	Section 10 of this Part 4	213
2015 Circular .....	Section 9 of this Part 4	28
2017 Circular .....	Section 9 of this Part 4	26-28
2018 Circular .....	Section 9 of this Part 4	26-28
2019 Circular .....	Section 9 of this Part 4	22-24
2022 Circular .....	Section 9 of this Part 4	29-32

The sections of the IPO Prospectus, 2015 Circular, 2017 Circular, 2018 Circular, 2019 Circular, 2022 Circular, 2021 Annual Report and Accounts, 2022 Annual Report and Accounts and 2023 Annual Report and Accounts not being incorporated by reference herein are either not relevant for Shareholders’ consideration of the Proposed Purchase or are covered elsewhere in this Circular.

13.2 The information referred to in section 13.1 of this Part 4 can be accessed by Shareholders at <http://corporate.wizzair.com>.

13.3 Information that is itself incorporated by reference or referred or cross-referred to in the documents listed in section 13.1 of this Part 4 is not incorporated by reference into this Circular. Except as set forth in section 13.1 of this Part 4, no other sections of these documents are incorporated by reference into this Circular.

### 14. CONSENT

J.P. Morgan Cazenove has given, and not withdrawn, its consent to the inclusion in this Circular of the references to its name in the form and context in which they are included.

### 15. DOCUMENTS AVAILABLE FOR INSPECTION

15.1 Copies of the following documents will be available for inspection during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at 44 Esplanade, St Helier, JE4 9WG, Jersey and at the offices of Cooley (UK) LLP at 22 Bishopsgate, London EC2N 4BQ, United Kingdom, and, other than the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment, will also be made available on the Company’s website at [www.wizzair.com](http://www.wizzair.com), from the date of this Circular up to and including the date of the General Meeting:

- (a) the articles of association of the Company;
- (b) the consent referred to in section 14 (*Consent*) of this Part 4;
- (c) the consolidated audited financial statements for Wizz Air for FY 2023;
- (d) the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment (with certain commercially sensitive terms redacted); and
- (e) this Circular.

Dated: 14 July 2023

## PART 5

### DEFINITIONS

The following definitions apply throughout this Circular, unless the context otherwise requires:

<b>“€” or “Euro”</b>	the lawful currency of the European Union, from time to time;
<b>“2015 Circular”</b>	the circular published by the Company on 15 October 2015 in relation to the Existing NEO Purchase Agreement;
<b>“2017 Circular”</b>	the circular published by the Company on 25 July 2017 in relation to the CEO Purchase Agreement Amendment;
<b>“2017 NEO Purchase Agreement Amendment”</b>	the amendment to the Existing NEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to the purchase of 146 additional Airbus A320neo Family Aircraft dated 29 December 2017;
<b>“2018 Circular”</b>	the circular published by the Company on 12 January 2018 in relation to the 2017 NEO Purchase Agreement Amendment;
<b>“2019 Circular”</b>	the circular published by the Company on 4 October 2019 in relation to the 2019 NEO Purchase Agreement Amendment;
<b>“2019 NEO Purchase Agreement Amendment”</b>	the amendment to the Existing NEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to the purchase of 20 Airbus A321XLR Aircraft dated 12 September 2019;
<b>“2019 Engine Purchase Agreement”</b>	the amended and restated engine purchase and support agreement dated 27 September 2019 between Wizz Air Hungary and IAE for the supply of PW1100G-JM type engines for the 276 aircraft subject to the 2019 Engine Purchase Agreement and the purchase of certain spare engines (amending the terms of the original engine purchase agreement entered into with IAE on 13 July 2016 (as amended by an amendment agreement dated 9 February 2018));
<b>“2021 Annual Report and Accounts”</b>	the audited and consolidated annual report and accounts (including relevant accounting policies and notes) of the Group and the audit report thereon for FY 2021;
<b>“2021 Engine Purchase and Support Agreement Amendment”</b>	the amended and restated engine purchase and support agreement dated 28 January 2021 between Wizz Air Hungary and IAE to confirm the commercial conditions under which IAE provides and supports PW1100G-JM engines for the Airbus A321neo Aircraft to be operated by Wizz Air Abu Dhabi LLC;
<b>“2021 NEO Purchase Agreement Amendment”</b>	the amendment to the Existing NEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to the purchase of 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and the right of first refusal in respect of up to a further 19 Airbus A321neo Family Aircraft dated 14 November 2021;
<b>“2022 NEO Purchase Agreement Amendment”</b>	the amendment to the Existing NEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to, <i>inter alia</i> , the purchase of the Purchase Option Aircraft dated 7 December 2022;

<b>“2022 Circular”</b>	the circular published by the Company on 28 January 2022 in relation to the 2021 NEO Purchase Agreement Amendment;
<b>“2022 General Meeting”</b>	the general meeting held by the Company on 22 February 2022 at which Shareholders approved the purchase of 102 Airbus A321 aircraft (comprising 75 Airbus A321neo Aircraft and 27 Airbus A321XLR Aircraft) and, to the extent offered by Airbus and accepted by Wizz Air Hungary and/or another member of the Group, up to a further 15 Airbus A321neo Family Aircraft pursuant to the 2021 NEO Purchase Agreement Amendment;
<b>“2023 AGM”</b>	the annual general meeting of the Company to be held on 2 August 2023, the same day as the General Meeting;
<b>“2023 Annual Report and Accounts”</b>	the audited and consolidated annual report and accounts (including relevant accounting policies and notes) of the Group and the audit report thereon for FY 2023;
<b>“Airbus”</b>	Airbus S.A.S. (including, where the context requires, its subsidiary undertakings);
<b>“Airbus A320ceo Aircraft”</b>	a variant of the current generation Airbus A320 Family Aircraft (A320 variant);
<b>“Airbus A320neo Aircraft”</b>	new generation Airbus A320 aircraft;
<b>“Airbus A320neo Family Aircraft”</b>	Airbus A320neo Aircraft, Airbus A321neo Aircraft and Airbus A321XLR Aircraft;
<b>“Airbus A321ceo Aircraft”</b>	a variant of the current generation Airbus A320 Family Aircraft (A321 variant);
<b>“Airbus A321neo Aircraft”</b>	new generation Airbus A321 aircraft;
<b>“Airbus A321XLR Aircraft”</b>	new generation Airbus A321XLR aircraft;
<b>“AOC”</b>	Air Operator Certificate;
<b>“ASK”</b>	available seat kilometres, the number of seats available for scheduled passengers multiplied by the number of kilometres those seats were flown;
<b>“Board” or “Directors”</b>	the board of directors of the Company from time to time including a duly constituted committee thereof;
<b>“Brexit”</b>	the United Kingdom’s withdrawal from the EU;
<b>“CACIB”</b>	Crédit Agricole CIB;
<b>“Carlyle Aviation”</b>	Carlyle Aviation Management Limited;
<b>“CASK”</b>	operating cost per ASK;
<b>“CAVIC”</b>	AVIC International Leasing Co., Ltd;
<b>“CDB”</b>	CDB Aviation Lease Finance DAC;
<b>“CEE”</b>	Central and Eastern Europe;
<b>“CEO Purchase Agreement Amendment”</b>	the amendment to the Existing CEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to the purchase of the 10 additional Airbus A321ceo Aircraft dated 21 June 2017;

<b>“CEO” or “Current Engine Option”</b>	the IAE V2500 SelectOne engine installed on the Group’s Airbus A321ceo Aircraft and Airbus A320ceo Aircraft;
<b>“CEST”</b>	Central European Summer Time;
<b>“CFM”</b>	CFM International S.A. (including, where the context requires, its subsidiary undertakings);
<b>“CIC”</b>	Crédit Industriel et Commercial;
<b>“Circular”</b>	this circular published by the Company in connection with the Proposed Purchase dated 14 July 2023;
<b>“CMB”</b>	CMB Financial Leasing Co., Ltd;
<b>“Company”</b>	Wizz Air Holdings Plc, a company incorporated under the Jersey Companies Law and registered in Jersey with registered number 103356;
<b>“Computershare” or “Registrar”</b>	Computershare Investor Services (Jersey) Limited of 13 Castle Street, St. Helier JE1 1ES, Jersey;
<b>“Convertible Shares”</b>	non-voting, non-participating convertible shares of £0.0001 each in the share capital of the Company;
<b>“DAIL”</b>	Dynam Aviation Ireland Limited;
<b>“Disclosure Guidance and Transparency Rules”</b>	the disclosure guidance and transparency rules of the FCA made in accordance with section 73A of the FSMA;
<b>“EEA”</b>	the European Economic Area;
<b>“EU”</b>	the European Union;
<b>“EU-15”</b>	the countries who were member states of the EU immediately prior to 1 May 2004, being Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Sweden, Spain and the United Kingdom;
<b>“EASA”</b>	the European Union Aviation Safety Agency;
<b>“EBITDA”</b>	earnings before interest, tax, depreciation and amortisation; profit (or loss) before net financing costs (or gain), income tax expense (or credit), depreciation and amortisation;
<b>“EMEA”</b>	Europe, the Middle East and Africa;
<b>“Executive Director”</b>	József Váradi;
<b>“ex-fuel CASK”</b>	operating cost net of fuel expense per ASK;
<b>“Existing CEO Purchase Agreement”</b>	the aircraft purchase agreement dated 7 September 2005 between Wizz Air Hungary and Airbus as amended on 20 July 2006, 10 October 2007, 18 June 2009 and 21 June 2017 and as otherwise supplemented or varied from time to time;
<b>“Existing Committed Aircraft Financing Arrangements”</b>	the aircraft sale and leaseback agreements described in paragraph (k)(i) and (ii) of section 9 ( <i>Material contracts</i> ) of Part 4: “ <i>Additional Information</i> ” of this Circular and the backstop financing arrangements with Airbus summarised in paragraph 5 ( <i>Payment Terms</i> ) of Part 3: “ <i>Summary of the Terms and Conditions of the Existing NEO Purchase Agreement, the 2021 NEO Purchase</i>

*Agreement Amendment and the 2022 NEO Purchase Agreement Amendment*” of this Circular and the pre-delivery payment financing facility agreement described in paragraph (g) of section 9 (*Material contracts*) of Part 4: “*Additional Information*” of this Circular (in respect of the remaining aircraft to be delivered between July 2023 and June 2024 initially covered by this agreement only);

**“Existing NEO Purchase Agreement”**

the aircraft purchase agreement dated 11 September 2015 between Wizz Air Hungary and Airbus relating to the purchase of 110 Airbus A321neo Aircraft and 90 purchase rights as amended on, *inter alia*, 29 December 2017 (by the 2017 NEO Purchase Agreement Amendment), 12 September 2019 (by the 2019 NEO Purchase Agreement Amendment), 14 November 2021 (by the 2021 NEO Purchase Agreement Amendment) and 7 December 2022 (by the 2022 NEO Purchase Agreement Amendment);

**“FCA”**

the Financial Conduct Authority of the United Kingdom, in its capacity as the competent authority for the purposes of Part VI of the FSMA and the UK Financial Services Act 2012;

**“Form of Proxy”**

the form of proxy for use at the General Meeting;

**“FSMA”**

the Financial Services and Markets Act 2000 (as amended);

**“FY 2019”**

the financial year ended 31 March 2019;

**“FY 2020”**

the financial year ended 31 March 2020;

**“FY 2021”**

the financial year ended 31 March 2021;

**“FY 2022”**

the financial year ended 31 March 2022;

**“FY 2023”**

the financial year ended 31 March 2023;

**“FY 2024”**

the financial year ending 31 March 2024;

**“FY 2030”**

the financial year ending 31 March 2030;

**“General Meeting”**

the General Meeting of the Company convened for 15:30 p.m. (CEST) (or as soon thereafter, as the 2023 AGM shall have been concluded or adjourned) on 2 August 2023 at as set out in the notice in Part 6: “*Notice of General Meeting*” of this Circular;

**“IAE”**

International Aero Engines AG (including, where the context requires, its subsidiary undertakings);

**“IATA”**

International Air Transport Association;

**“IFRS”**

International Financial Reporting Standards, as adopted for use in the EU;

**“ING”**

ING Bank N.V.;

**“IPO Prospectus”**

the prospectus of the Company published on 25 February 2015 in relation to the listing of the Company’s Ordinary Shares on the premium listing segment of the Official List of the FCA and admission to trading on the main market of the London Stock Exchange;

<b>“Jersey Companies Law”</b>	the Companies (Jersey) Law 1991 (as amended) and the subordinate legislation thereunder;
<b>“JLPS”</b>	JLPS Ireland Limited;
<b>“JOLCO”</b>	Japanese Operating Lease with Call Option;
<b>“J.P. Morgan Cazenove”</b>	J.P. Morgan Securities plc (which carries on its UK investment banking activities as J.P. Morgan Cazenove);
<b>“list price”</b>	the price that aircraft manufacturers have traditionally published for each model of aircraft being a standard price a purchaser would expect to pay;
<b>“Listing Rules”</b>	the listing rules of FCA made in accordance with section 73A of the FSMA;
<b>“load factor”</b>	number of seats sold divided by the number of seats available;
<b>“Lufthansa Technik”</b>	Lufthansa Technik AG;
<b>“Non-Executive Directors”</b>	Charlotte Andsager, Enrique Dupuy de Lome Chavarri, Andrew S. Broderick, Barry Eccleston, William A. Franke, Anna Gatti, Stephen L. Johnson, Charlotte Pedersen, Dr. Anthony Radev and Phit Lian Chong;
<b>“Ordinary Shares”</b>	the ordinary shares in the Company of £0.0001 each;
<b>“ORIX”</b>	Orix Aviation Systems Limited;
<b>“PRA”</b>	the Prudential Regulation Authority of the United Kingdom;
<b>“Pratt &amp; Whitney”</b>	Pratt & Whitney, a subsidiary of United Technologies Corporation;
<b>“Profit Forecast”</b>	the profit forecast issued by the Company for FY 2024, further information on which is set out in section 8 ( <i>Profit Forecast</i> ) of Part 4: “ <i>Additional Information</i> ” of this Circular;
<b>“Proposed Purchase”</b>	the proposed purchase by Wizz Air Hungary of the Purchase Option Aircraft, with either the LEAP-1A32 engine manufactured by CFM or the PW1133G-JM engine manufactured by Pratt & Whitney, as described in Part 3: “ <i>Summary of the Terms and Conditions of the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment</i> ” of this Circular;
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules of the FCA made in accordance with section 73A of the FSMA;
<b>“Purchase Rights”</b>	the purchase rights granted to Wizz Air Hungary by Airbus under the Purchase Option Aircraft Letter Agreement in respect of the Purchase Option Aircraft and exercised by Wizz Air Hungary on 14 September 2022;
<b>“Purchase Option Aircraft”</b>	the 75 Airbus A321neo Aircraft in respect of which the Purchase Rights were granted to and exercised by Wizz Air Hungary pursuant to the Purchase Option Aircraft Letter Agreement and which are to be acquired pursuant to the relevant provisions of the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and the 2022 NEO Purchase Agreement Amendment;

<b>“Purchase Option Aircraft Letter Agreement”</b>	the side letter agreement to the 2021 NEO Purchase Agreement Amendment pursuant to which the Purchase Rights were granted;
<b>“RASK”</b>	passenger revenue divided by ASKs;
<b>“Resolution”</b>	the ordinary resolution to approve the Proposed Purchase to be proposed at the General Meeting, notice of which is set out in Part 6: <i>“Notice of General Meeting”</i> of this Circular;
<b>“RFL”</b>	Runway Five Lender LLC;
<b>“RPK”</b>	revenue passenger kilometres;
<b>“SBI Group”</b>	SBI Leasing Services Co., Ltd. and its subsidiaries;
<b>“Senior Managers”</b>	Florina Alexandra Avadanei, Janos Pal, Silvia Mosquera, Robert Carey, Michael Delehant, Johan Eidhagen, Marion Geoffroy, Joel Goldberg, Heiko Holm, Owain Jones, Veronika Jung, Ian Malin, Yvonne Moynihan, Diarmuid O’Conghaile, Zsuzsanna Poós and Roland Tischner;
<b>“Shareholder(s)”</b>	the holder(s) of Ordinary Shares;
<b>“SMBC Group”</b>	Sumitomo Mitsui Banking Corporation, Brussels Branch and its subsidiary SMFL;
<b>“SMFL”</b>	Sumitomo Mitsui Finance and Leasing Company, Limited and its subsidiaries;
<b>“Takeover Code”</b>	the United Kingdom City Code on Takeover and Mergers (as amended from time to time);
<b>“TCC”</b>	Tokyo Century Corporation;
<b>“UAE GCAA”</b>	the General Civil Aviation Authority of the United Arab Emirates;
<b>“UK CAA”</b>	the UK Civil Aviation Authority;
<b>“UK MAR”</b>	the Market Abuse Regulation (2014/596/EU) which forms part of domestic law in the United Kingdom pursuant to the European Union (Withdrawal) Act 2018;
<b>“UK Prospectus Regulation”</b>	Regulation (EU) 2017/1129 which forms part of domestic law in the United Kingdom pursuant to the European Union (Withdrawal) Act 2018;
<b>“US\$” or “US Dollar” or “\$”</b>	the lawful currency of the United States of America, from time to time;
<b>“VAT”</b>	value added tax;
<b>“Western Europe”</b>	the EU-15 plus Cyprus, Iceland, Malta, Norway and Switzerland;
<b>“Wizz Air” or “Group”</b>	the Company and its subsidiary undertakings (as defined by section 2 of the Jersey Companies Law) from time to time;
<b>“Wizz Air Abu Dhabi”</b>	Wizz Air Abu Dhabi LLC, the holder of an Air Operator Certificate issued by the United Arab Emirates General Civil Aviation Authority;
<b>“Wizz Air Fleet Management”</b>	Wizz Air Fleet Management Ltd. (previously known as Wizz Air Leasing Ltd.);

**“Wizz Air Hungary”**

Wizz Air Hungary Limited, the holder of an operating licence issued by the Hungarian Aviation Authority;

**“Wizz Air Malta”**

Wizz Air Malta Limited, the holder of an operating licence issued by the Malta Civil Aviation Directorate; and

**“Wizz Air UK”**

Wizz Air UK Limited, the holder of an operating licence issued by the United Kingdom Civil Aviation Authority.

## PART 6

### NOTICE OF GENERAL MEETING

#### Notice of General Meeting of

#### Wizz Air Holdings Plc

*(incorporated and registered in Jersey with registered number 103356)*

**NOTICE IS HEREBY GIVEN** that a General Meeting of Wizz Air Holdings Plc (the “**Company**”) will be held on 2 August 2023 at 15:30 p.m. (CEST) (or as soon thereafter, as the Company’s 2023 annual general meeting shall have been concluded or adjourned) at Crowne Plaza Geneva, Avenue Louis-Casai 75-77, 1216 Geneva, Switzerland to consider and, if thought fit, pass the following resolution, which will be proposed as an ordinary resolution:

#### **ORDINARY RESOLUTION**

THAT the Proposed Purchase as defined and described in the circular to shareholders dated 14 July 2023, of which this notice forms part (the “**Circular**”), be, and is, approved for the purposes of Chapter 10 of the Listing Rules of the Financial Conduct Authority and that the Directors (or a duly authorised committee of the Directors) be, and are, hereby authorised to: (a) do all things as may be necessary or desirable to complete or give effect to or otherwise in connection with or incidental to the Proposed Purchase; and (b) agree to such modifications, variations, revisions, waivers or amendments to the Existing NEO Purchase Agreement, the 2021 NEO Purchase Agreement Amendment and/or the 2022 NEO Purchase Agreement Amendment (each as defined in the Circular) in respect of the Proposed Purchase, provided such modifications, variations, revisions, waivers or amendments are not material, in either such case as they may in their absolute discretion think fit.

By order of the Board

*Registered office:*

44 Esplanade  
St. Helier  
JE4 9WG  
Jersey



**William A. Franke**

*Chairman*

14 July 2023

Registered number: 103356

**Notes:**

**Right to attend and vote**

1. Subject to notes 4-7 below, only holders of the ordinary shares in the Company of £0.0001 each (the “**Shareholders**”) whose names appear on the register of members or Separate Register (as defined in the articles of association of the Company (the “**Articles**”)) of the Company at 15:30 p.m. (CEST) on 31 July 2023 (the “**Specified Time**”) (or, if the General Meeting is adjourned, on the register of members of the Company 48 hours before the time of the adjourned meeting (not taking into account any day which is not a Business Day (as defined in the Articles)) shall be entitled to attend and/or vote at the General Meeting in respect of the number of shares registered in their name at such time. Subsequent changes to entries on the register of members after the Specified Time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
2. The Resolution at the General Meeting will be decided by a poll rather than a show of hands. This means that each Shareholder has one vote for every share held. The Company believes that this is a more transparent and equitable method of voting, as Shareholders are counted according to the number of shares held ensuring an exact and definitive result.
3. The Company has also included on the Form of Proxy a “Vote Withheld” option in order for Shareholders to abstain on the Resolution. However, it should be noted that a “Vote Withheld” is not a vote in law and will not be counted in the calculation of the proportion of votes “For” or “Against” the Resolution.
4. In December 2020, the Board of the Company resolved in accordance with the Articles to treat as Restricted Shares certain ordinary shares held by Shareholders who were Non-Qualifying Nationals. The Company issued Restricted Share Notices to such Shareholders. This was to ensure that the Company was able to continue to comply with EU law regarding the ownership and control of airlines after the end of the post-Brexit transition period on 31 December 2020. In view of the forthcoming General Meeting and the 2023 AGM (which will be held on the same day as the General Meeting), the Company has conducted a further review of its Shareholders’ nationality. As a result, the Board has resolved to (i) withdraw all existing Restricted Share Notices; and (ii) issue further Restricted Share Notices to Shareholders who are Non-Qualifying Nationals to reflect changes in its share register during 2022, all with a view to ensuring that Non-Qualifying Nationals will be holding no more voting rights available at the General Meeting than the Permitted Maximum (i.e., 45%). Accordingly, Ordinary Shares held by Non-Qualifying Nationals will be subject to a proportionate disenfranchisement of approximately 86.8%.
5. Consequently, any 1% interest of Ordinary Shares held by a Non-Qualifying National will entitle such Non-Qualifying National to a voting interest of approximately 0.52%, whilst any 1% interest of Ordinary Shares held by a Qualifying National will entitle such Qualifying National to a voting interest of approximately 3.96%.
6. All registered holders and investors known to the Company to be holding Restricted Shares will have received alongside the notice of the 2023 AGM, a Restricted Share Notice setting forth the number of ordinary shares held by such person that are treated as Restricted Shares and in respect of which such person will not be entitled to attend or to speak at either the 2023 AGM or the General Meeting or to vote at either the 2023 AGM or the General Meeting. Holders of shares subject to Restricted Share Notices are advised that the Company will treat only the portion of such shareholding that is deemed not to be Restricted Shares as being eligible to be counted in the vote at the 2023 AGM or General Meeting, as applicable. Shareholders should refer to the Restricted Share Notice for more information, if applicable.
7. Capitalised terms used in explanatory notes 4 to 6 above shall have the same meaning as in the Articles but the definitions of Non-Qualifying National, Permitted Maximum, Qualifying National, Restricted Shares and Restricted Share Notices are repeated below:
  - a. “**Non-Qualifying National**” means any person who is not a Qualifying National in accordance with the definition below;
  - b. “**Permitted Maximum**” means any aggregate number of Ordinary Shares which the Directors have specified as the maximum aggregate permitted number of Affected Shares pursuant to Article 84.2;
  - c. “**Qualifying National**” means: (a) EEA Nationals; (b) nationals of Switzerland; and (c) in respect of any undertaking, an undertaking which satisfies the conditions as to nationality of ownership and control of undertakings granted an operating licence contained in Article 4(f) of EC Licencing Regulation, as such conditions may be amended, varied, supplemented or replaced from time to time, or as provided for in any agreement between the EU and any third country (whether or not such undertaking is itself granted a licence);
  - d. “**Restricted Shares**” means any Ordinary Share which shall be treated as a restricted share pursuant to Article 86; and
  - e. “**Restricted Share Notices**” means a notice in writing served in accordance with the provisions of Article 87.

**Appointment of proxies**

**General**

8. A Shareholder who is entitled to attend and vote at the General Meeting may appoint one or more proxies to attend, speak and vote instead of him or her. A Shareholder may appoint more than one proxy to attend the General Meeting. A proxy need not be a member of the Company. Completion and return of a Form of Proxy will not prevent Shareholders from attending and voting in person should they wish to do so. If two or more valid proxy appointments are received in respect of the same ordinary share for use at the General Meeting, the one which is last delivered or received shall be treated as replacing or revoking the others as regards that share, provided that if the Company determines that it has insufficient evidence to decide whether or not a proxy

appointment is in respect of the same share, it shall be entitled to determine which proxy appointment (if any) is to be treated as valid.

9. To be valid, an appointment of proxy, whether by means of an instrument or via CREST as stated at explanatory notes 10 and 11 below (together with any relevant power or authority) must be received (or, in the case of the appointment of a proxy through CREST, retrieved by enquiry to CREST in the manner prescribed by CREST) by Computershare not later than 48 hours before the time appointed for holding the General Meeting or any adjournment (excluding any day which is not a working day).

A proxy may be appointed in the following ways:

***Printed Form of Proxy***

10. To appoint a proxy, please fill in the Form of Proxy which accompanies this notice and return it in accordance with the instructions printed on the form as soon as possible. To be valid, the instrument and the power of attorney or other authority (if any) under which it is signed, or a notarially-certified copy of such power or authority, must be received by the Company's Registrar, Computershare Investor Services (Jersey) Limited at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by no later than 15:30 p.m. (CEST) on 31 July 2023.

***Electronic proxy appointment through CREST***

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
12. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID 3RA50) not later than 48 hours before the time appointed for the General Meeting or any adjourned meeting (excluding any day which is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application's host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
13. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
14. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.

***Corporate representatives***

15. Any corporation which is a Shareholder of the Company may, by resolution of its directors or other governing body, authorise such persons as it thinks fit to act as its representative at the General Meeting. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Shareholder of the Company.

***Nominated persons***

16. Any person to whom this notice is sent who is a person nominated to enjoy information rights in accordance with the provisions of the Articles (a "**Nominated Person**") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. Alternatively, if a Nominated Person has no such right, or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the relevant Shareholder as to the exercise of voting rights. The statement of the rights of Shareholders in relation to the appointment of proxies in paragraphs 8 to 14 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by the Shareholders of the Company.

***Voting rights***

17. As at 12 July 2023 (being the last practicable business day prior to publication of this notice), the Company's issued ordinary share capital consisted of 103,332,880 ordinary shares carrying one vote each on a poll and the total number of votes exercisable at that date is the same number. At that date, the Company held no treasury shares.

***Inspection of documents***

18. Copies of the following documents are available for inspection during normal business hours at the Company's registered office at 44 Esplanade, St. Helier JE4 9WG, Jersey, and the offices of Cooley (UK) LLP, 22 Bishopsgate, London, EC2N 4BQ, United Kingdom on any weekday from the date of this notice until the time of the General Meeting and at the venue of the General Meeting from 15 minutes before the General Meeting until it ends: (i) this notice of the General Meeting; (ii) details of the total number of shares in respect of which shareholders are entitled to exercise voting rights at the General Meeting; and (iii) the Articles. If applicable, any shareholders' statements, shareholders' resolutions or shareholders' matters of business received by the Company after the date of this notice will also be made available on the Company's website.

***Website***

19. A copy of this notice, and other relevant Shareholder information can be found at <https://corporate.wizzair.com>.

***Addresses***

20. Addresses, including electronic addresses provided in this notice, are provided solely for the purposes so specified. Shareholders may not use any electronic address provided in this notice to communicate with the Company for any purpose other than those expressly stated herein.

