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Press Release

Q1 F22 RESULTS
CASH FLOW POSITIVE QUARTER, RECOVERY INTO SUMMER

LSE: WIZZ

Geneva, 28 July 2021: Wizz Air Holdings Plc ("Wizz Air" or "the Company"), the fastest growing European low-cost airline, today issues unaudited results for the three months to 30 June 2021 ("first quarter" or "Q1") for the Company.

Three months to 30 June	2021	2020	Change
Passengers carried	**2,954,213**	707,184	317.7%
Revenue (€ million)	**199.0**	90.8	119.2%
EBITDA (€ million)	**(17.8)**	(42.4)	n.m.
EBITDA margin (%)	**(9.0)**	(46.7)	37.7ppts
Profit/(loss) for the period (€ million)	**(114.4)**	(108.0)	n.m.
Profit/(loss) margin for the period (%)	**(57.5)**	(119.0)	61.5ppts
Underlying net profit/(loss) for the period (€ million)*	**(118.7)**	(56.7)	n.m.
Underlying net profit/(loss) margin for the period (%)	**(59.6)**	(56.7)	(2.9)ppts
RASK (€ cent)	**2.69**	4.36	(38.2)%
Ex-Fuel CASK (€ cent)	**3.57**	6.81	(47.5)%
Total Cash (€ million)	**1,662.6**	1,587.9	4.7%
Load factor (%)	**63.6**	55.5	8.1ppts
Period-end fleet	**141**	123	14.6%

**Q1 FY22 underlying net profit excludes the impact of hedge gains classified as discontinued (amounting to €4.3 million)*

József Váradi, Wizz Air Chief Executive commented on the results:

"The first quarter of F22 remained challenging for the Company as we operated only 33% of our available capacity as mobility restrictions continued to be a major barrier to international travel during this period. We were focused on cash and delivered a cash flow positive quarter, with a strong liquidity balance of c.€1.7 billion, including c.€1.5 billion of free cash – as well as maintaining our investment grade balance sheet.

Through the quarter we did see encouraging recovery patterns in passenger air travel. People began returning to flying despite mobility restrictions still impacting travel. We carried 3.0m passengers during the quarter, more than four times the number we carried in the same period of last year. As the quarter progressed we deployed higher levels of capacity with June operating 62% of 2019 available seat kilometres.

We have now entered a busy part of the summer, ramping up our operations to meet increased demand whilst maintaining operational flexibility to deal with evolving travel restrictions as a result of Covid-19 developments, particularly with respect to new variants. As we ramp up our operations we continue to be supported by our dedicated crew and colleagues who have demonstrated agility and resilience even in the most uncertain and volatile times of ever changing schedules and expectations."

Commenting on business developments during the period, Mr Váradi added:

"We continued to strengthen our network for the future, expanding our Italian market presence further by adding two more bases, in Rome and Naples. Rome, Fiumicino began operating with five new A321 aircraft from July and Naples will have a 2 aircraft operation starting as of August. In Tirana, Albania, we added a 5th A321 aircraft as we continued to see positive results and strong demand for our product and service.

We have added leisure routes from our core CEE markets to Mediterranean destinations to meet strong summer demand. Wizz Air Abu Dhabi and Wizz Air UK have been impacted by stricter mobility restrictions, however each has seen gradual improvement in traffic, particularly along travel corridors to destinations on government approved lists."

On the summer ramp-up and the outlook, Mr Váradi said:

"We continued ramping up and growing our operations by recruiting, onboarding and training 600 additional crew. With that we expect aircraft utilization to increase to 10 hours per day, getting closer to our pre-pandemic flying times of 12+ hours per day. In July and August 2021 we expect to operate around 90% and 100% of our 2019 capacity, respectively, making Wizz Air the first major European airline to fully recover capacity to pre-Covid-19 levels. While we remain cautious with making predictions for the winter period amid unpredictable government decision making we are absolutely confident in our much improved competitive positions in the short, mid and long term arising from continuous fleet growth based on new aircraft deliveries, an extended market footprint as well as structural cost advantages arising from fleet up-gauging, improved commercial arrangements with airports and not being trapped in debt burden contrary to the vast majority of the industry.

We remain strategically disciplined on cost and we continue our fleet renewal, redelivering two A320CEO aircraft with 180 seats and taking deliveries of six new A321NEOs with 239 seats, that sets our fleet average seat per aircraft at 207 seats. The accelerated renewal of our fleet will continue to benefit Wizz Air versus other competitors on every cost line, including on Fuel CASK even more so in the current environment where carbon-efficiency is increasingly critical."

FINANCIAL RESULTS IN Q1

- Total revenue amounted to €199.0 million:
  - Ticket revenues increased by 196.8% to €87.2 million.
  - Ancillary revenues increased by 82.2% to €111.9 million.
  - Total unit revenue decreased by 38.2% to 2.69 euro cents per available seat kilometre (ASK).
  - Ancillary revenue per passenger decreased by 56.7% versus F21 to €37.6, however, versus F20 it was still a 25% increase (up €7.5 per passenger). The decrease in ancillary revenue per passenger versus Q1 F21 is distorted due to low passenger numbers and the recognition of cargo revenue under ancillary revenue in Q1 F21.
- Total cost increased 56.1% to €307.7 million:
  - Total unit costs decreased by 56.1% to 4.43 euro cents per ASK, driven by a better asset utilization versus F21)
  - Fuel unit costs decreased by 74.0% to 0.86 euro cents per ASK.
  - Ex-fuel unit costs decreased by 47.5% to 3.57 euro cents per ASK.
- The statutory loss for the period was €114.4 million.
- Loss for the period excluding exceptional items amounted to €118.7m.
- Total cash at the end of June 2021 increased to €1,662.6 million of which €1,499.8 million was free cash.

NETWORK ADDITIONS

- <u>Base rationalization</u>
  - Oslo, Norway: four aircraft

  <u>New bases:</u>
  - Rome Fiumicino, Italy: five aircraft
  - Naples, Italy: two aircraft

  <u>Base expansion:</u>
  - Tirana, Albania: one additional aircraft, taking the base to five aircraft

- Fleet expansion to 141 aircraft with the addition of six new A321neo aircraft in the quarter. At the same time we returned two end of lease A320ceo aircraft to lessors, which increased the average seats per aircraft to 207 seats. Wizz Air's average aircraft age is 5.3 years, one of the youngest fleets of any major European airline.

SUSTAINABILITY UPDATE

- On 2 June 2021, the Board announced the creation of a Sustainability and Culture Committee allowing the Board to dedicate a separate committee to ESG and culture, chaired by Ms. Charlotte Pedersen, and with an appointed Director responsible for employee engagement, Mr. Anthony Radev.
- On environmental progress is anchored in our investment in the latest technology aircraft with the highest seat density, which will enhance the demand for our product in the next ten years as we will be operating in a more sustainable and cost efficient manner than the majority of our peers today.
- In June Wizz Air received an award from World Finance Magazine for the most sustainable company in the airline industry 2021.
- Wizz Air does not support the recently published Fit for 55 proposal by the European Commission as it does not create a level playing field in the industry with regards to taxation of emissions and kerosene consumption. This will create further market distortion and further subsidizes inefficient state-backed carriers:
  - We are not supportive of the taxation on kerosene given:
    - It excludes taxation on cargo-only flights (giving a pass to legacy carriers). Cargo flights drive around 15% of global emissions
    - It is limited to EEA flights only (giving a pass to long haul legacy carriers, which cause more than 50% of emissions in the industry)
  - In addition, the kerosene tax is a double taxation with the current airport-level taxation that was introduced generally to offset the kerosene tax exemption by Member States as a result of the 1944 Chicago convention.
- Wizz Air's CO2 emissions per passenger/km amounted to 74.9 grams per passenger/km for the rolling 12 months to 30 June 2021 and as the industry recovers from Covid-19 we expect emission intensity to drop quickly as load factors normalize again.

ADDITIONS TO THE MANAGEMENT TEAM

In April 2021 Michael Delehant joined the Leadership Team as an Executive Vice President and Group Chief Operations Officer. He has two decades of executive airline experience and a long track record of leadership, strategy and corporate

transformation. After a long career at Southwest Airlines in the US, he joined Wizz Air from Vueling in Europe. In his last role at Vueling, Mr. Delehant was the Chief Strategy and Network Officer.
In June, Robert Carey joined the Leadership Team as President. Robert started his career in aviation twenty years ago with America West Airlines, followed by Delta Airlines, after which he spent over a decade at McKinsey and Company, where he was a Partner prior to joining Easyjet as Chief Commercial and Strategy Officer in 2017.

ABOUT WIZZ AIR

Wizz Air, the fastest growing European low-cost airline, operates a fleet of 142 Airbus A320 and A321 aircraft. A team of dedicated aviation professionals delivers superior service and very low fares, making Wizz Air the preferred choice of 10.2 million passengers in the financial year F21 ending 31 March 2021. Wizz Air is listed on the London Stock Exchange under the ticker WIZZ. The company was recently named one of the world's top ten safest airlines by airlineratings.com, the world's only safety and product rating agency, and 2020 Airline of the Year by ATW, the most coveted honour an airline or individual can receive, recognizing individuals and organizations that have distinguished themselves through outstanding performance, innovation, and superior service.

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Q1 FINANCIAL REVIEW

In the first quarter, Wizz Air carried 2,954,274 passengers, a 317.5% increase compared to the same period in the previous year as a direct result of the gradually returning travel demand and easing travel restrictions imposed by governments due to COVID-19. The Company generated revenues of €199.0 million, an increase of 119.3%. These rates compare to capacity increase measured in terms of ASKs of 255.2% and 264.7% more seats. The underlying loss for the first quarter was €118.7 million.

Consolidated statement of comprehensive income (unaudited)
For the three months ended 30 June – rounded to one decimal place

Continuing operations	2021 € million	2020 € million	Change
Passenger ticket revenue	**87.2**	**29.4**	196.8%
Ancillary revenue	**111.9**	**61.4**	82.2%
Total revenue	**199.0**	**90.8**	119.3%
Staff costs	**(34.5)**	**(29.3)**	17.7%
Fuel costs	**(63.5)**	**(68.7)**	-7.6%
Distribution and marketing	**(7.3)**	**(4.4)**	65.9%
Maintenance materials and repairs	**(41.6)**	**(20.5)**	103.0%
Airport, handling and en-route charges	**(69.9)**	**(21.0)**	233.1%
Depreciation and amortisation	**(90.8)**	**(64.0)**	42.0%
Other expenses/income	**(0.1)**	**10.7**	-100.8%
Total operating expenses	**(307.7)**	**(197.1)**	56.1%
Operating profit	**(108.6)**	**(106.4)**	2.1%
Financial income	**0.9**	**5.0**	-81.5%
Financial expenses	**(20.8)**	**(18.2)**	14.4%
Net foreign exchange loss	**14.9**	**12.1**	23.0%
Net financing expense	**(4.9)**	**(1.0)**	375.0%
Profit/(loss) before income tax	**(113.5)**	**(107.4)**	5.7%
Income tax (expense)/credit	**0.8**	**0.6**	44.9%
Statutory profit/loss for the period*	**(114.4)**	**(108.0)**	5.9%
Underlying profit/loss for the period*	**(118.7)**	**(56.7)**	109.4%

**Q1 FY22 underlying net profit excludes the impact of hedge gains classified as discontinued (amounting to €4.3 million)*

Revenue
Passenger ticket revenue increased 196.8% to €87.2 million and ancillary income (or "non-ticket" revenue) increased by 82.2% to €111.9 million, driven by the sharp increase in capacity due to the gradually returning travel demand. Total revenue per ASK (RASK) decreased by 38.2% to 2.69 euro cents from 4.36 euro cents in the same period of F21 driven mostly by exceptional revenue items included in Q1 F21. For perspective, RASK in Q1 F20 was 3.84 euro cents and the decline in RASK in Q1 F22 is completely attributable to load factor differences.

Average revenue per passenger decreased to €67.4 in Q1 F22 which was 47.5% lower than the Q1 F21 level of €128.3. Average ticket revenue per passenger decreased from €41.5 in Q1 F21 to €29.5 in Q1 F22, average ancillary revenue per passenger decreased from an exceptionally high €86.8 in Q1 F21 to €37.6 in Q1 F22, representing a decrease of 56.7%. The decrease in ancillary revenue per passenger is distorted due to low passenger numbers and the recognition of cargo revenue under ancillary revenue in Q1 F21. As noted above, this quarter's average ancillary revenue per passenger when compared with Q1 F20 (pre-Covid period), shows an increase of 25.0% from €30.1 to €37.6 on the back of strong pricing and sales of products such as flexibility option, allocated seating etc.

Operating expenses
Operating expenses for the three months increased by 56.1% to €307.7 million from €197.1 million in Q1 F21. Total Cost per ASK ('CASK') decreased by 56.1% to 4.43 euro cents in Q1 F22 from 10.11 euro cents in Q1 F21. CASK excluding exceptional operating expenses decreased to 4.49 euro cents in Q1 F22 from 7.64 euro cents in Q1 F21.

Staff costs increased by 17.7% to €34.5 million in Q1 F22 from €29.3 million in Q1 F21, driven by higher capacity operated.

Fuel expenses decreased by 7.6% to €63.5 million in Q1 F22, down from €68.7 million in the same period of F21. The decrease was driven primarily by a small gain of €4.3 million realized on discontinued hedges versus the significant loss of €51.3 million realized in Q1 F21. The average fuel price (including hedging impact and excluding into-plane premium) paid by Wizz Air during the first quarter was US$538 per tonne, a decrease of 9.0% from US$591 the same period in F21.

Distribution and marketing costs increased by 65.9% in Q1 F22 to €7.3 million due to the increased revenue performance.

Maintenance, materials and repair costs increased by 103.0% to €41.6 million in Q1 F22 compared to €20.5m due to a larger fleet and end of lease obligations.

Airport, handling and en-route charges increased 233.1% to €69.9 million in the first quarter of F22 versus €21.0 in the prior year, an increase mostly driven behind the ASK increase.

Depreciation and amortisation charges increased by 42.0% in the first quarter to €90.8 million, up from €64.0 million in the same period in F21, as a result of larger fleet and higher utilization.

Other expenses amounted to €0.1 million in the first quarter, compared to €10.7 million income in the same period last year.

Financial income amounted to €0.9 million, down from €5.0 million, driven by lower interest rates on deposits.

Financial expenses amounted to €20.8 million compared to €18.2 million in Q1 F21.

Net foreign exchange gain was €14.9 million, of which €21.5 million relate to unrealised foreign exchange gains, compared to a gain of €12.1 million in Q1 F21.

Income tax expense was €0.8 million (Q1 F21: €0.6 million) reflecting mainly local business tax and innovation tax in Hungary.

OTHER INFORMATION

1. Cash, equity

Total cash and cash equivalents (including restricted cash and cash deposits with more than 3 months maturity) at the end of the first quarter increased by 4.7% to €1,662.6million versus 31 March 2021, of which €1,499.8 million is free cash.

2. Hedging positions

Wizz Air operates under a clear set of treasury policies approved by the Board and supervised by the Audit and Risk Committee. On 2 June, 2021 Board of Directors approved the Company's 'no hedge' policy with respect to US dollar and jet fuel price risk after evaluating the economic costs and benefits of the hedging programme. Details of the current hedging positions (as of 13 July 2021) are set out below:

Foreign exchange (FX) hedge coverage of Euro/US Dollar

Period covered	F22 9 months	F23 9 months
Exposure (million)	413	823
Hedge coverage (million)	78	0
Hedge coverage for the period	19%	0%
Weighted average ceiling	1.17	
Weighted average floor	1.12	

Fuel hedge coverage

Period covered	F22 9 months	F23 9 months
Exposure in metric tons ('000)	773	1369
Coverage in metric tons ('000)	170	0
Hedge coverage for the period	22%	0%
Blended capped rate	533	
Blended floor rate	484	

Sensitivities

- Pre-hedging, a one cent movement in the Euro/US Dollar exchange rate impacts this financial year's operating expenses by €3.9 million.
- Pre-hedging, a $10 (per metric ton) movement in the price of jet fuel impacts this financial year's fuel costs by $7.5 million.

3. Fully diluted share capital

The figure of 127,574,194 should be used for the Company's theoretical fully diluted number of shares as at 12 July 2021. This figure comprises 103,041,132 issued ordinary shares and 24,246,715 new ordinary shares which would have been issued if the full principal of outstanding convertible notes had been fully converted on 12 July 2021 (excluding any ordinary shares that would be issued in respect of accrued but unpaid interest on that date) and 286,347 new ordinary shares which may be issued upon exercise of vested but unexercised employee share options.

4. Ownership and Control

In preparation for 2021 Annual General Shareholder Meeting ("AGM"), on 2 July, 2021 Company sent Restricted Share Notice to Non-Qualifying registered shareholders, informing them of the number of Ordinary Shares that will be treated as Restricted Shares and consequently the number of Ordinary Shares in respect of which they were entitled to exercise their voting rights.

a "**Qualifying National**" includes: (i) EEA nationals, (ii) nationals of Switzerland and (iii) 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 Regulation (EC) No. 1008/2008 of the European Commission, 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 an operating licence); and

a "**Non-Qualifying National**" includes any person who is not a Qualifying National in accordance with the definition above.

KEY STATISTICS*

*For the three months ended 30 June**

	2021	2020	Change
Capacity			
Number of aircraft at end of period	**141**	123	14.6%
Equivalent aircraft	**137.1**	121.4	12.9%
Utilisation (block hours per aircraft per day)	**4.42**	1.72	157.0%
Total block hours	**55,182**	19,131	188.4%
Total flight hours	**48,418**	17,117	182.9%
Revenue departures	**23,128**	6,767	241.8%
Seat capacity	**4,646,853**	1,274,324	264.7%
Average aircraft stage length (km)	**1,591**	1,634	-2.6%
Total ASKs ('000 km)	**7,391,209**	2,081,105	255.2%
Operating data			
RPKs ('000 km)	**4,719,299**	1,181,986	299.3%
Load factor	**63.6%**	55.5%	14.5%
Number of passenger segments	**2,954,274**	707,184	317.5%
Fuel price (average US$ per ton, including hedging impact but excluding into-plane premium)	538	591	-9.0%
Foreign exchange rate (average US$/€, including hedging impact)	**1.21**	1.13	7.1%

*Figures are rounded to one decimal place

CASK

*For the three months ended 30 June**

	2021 *euro cents*	2020 *euro cents*	Change *euro cents*
Fuel costs	**0.86**	3.30	(2.44)
Staff costs	**0.47**	1.41	(0.94)
Distribution and marketing	**0.10**	0.21	(0.11)
Maintenance, materials and repairs	**0.56**	0.98	(0.42)
Airport, handling and en-route charges	**0.95**	1.01	(0.06)
Depreciation and amortisation	**1.23**	3.07	(1.84)
Other expenses/income	**0.00**	(0.51)	0.51
Net of financial income and expenses	**0.27**	0.63	(0.36)
Total CASK	**4.43**	10.11	(5.68)
CASK excluding exceptional operating expense	**4.49**	7.64	(3.15)
Total ex-fuel CASK	**3.57**	6.81	(3.24)

*Figures are rounded to two decimal places