

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 Wizz Air before 28 October 2019, 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.



WIZZ AIR HOLDINGS PLC

(incorporated and registered in Jersey with registered number 103356)

PROPOSED PURCHASE OF 20 AIRBUS A321XLR AIRCRAFT

AND

NOTICE OF GENERAL MEETING

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 11:00 a.m. (CET) on 30 October 2019 at the offices of the Company at Le Lumion, Route François-Peyrot 12, Geneva International Airport, 1218 Grand-Saconnex, 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. Whether or not you intend to attend the General Meeting in person, 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 11:00 a.m. (CET) on 28 October 2019 (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.

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.

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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 Group's future results of operations, (ii) the Group's future financial and market positions, (iii) the Group's margins, profitability and prospects, (iv) expectations as to future growth, (v) the Group's ability to continue to grow its fleet of aircraft, (vi) general economic trends and other trends in the industry in which the Group operates and (vii) 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 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 and internationally (including the potential outcome of the United Kingdom's withdrawal from the EU) and (x) continued weakness in economic conditions.

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 Prospectus Regulation, the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules, 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.

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CORPORATE DETAILS AND ADVISERS

Directors	William A. Franke (<i>Chairman</i>) József Váradi (<i>Chief Executive Officer</i>) Peter Agnefjäll (<i>Non-Executive Director</i>) Andrew S. Broderick (<i>Non-Executive Director</i>) Guido Demuynck (<i>Non-Executive Director</i>) Simon Duffy (<i>Non-Executive Director and Senior Independent Director</i>) Barry Eccleston (<i>Non-Executive Director</i>) Susan Hooper (<i>Non-Executive Director</i>) Stephen L. Johnson (<i>Non-Executive Director</i>) Maria Kyriacou (<i>Non-Executive Director</i>)
Senior Managers	Stephen Jones (<i>Deputy Chief Executive Officer and Managing Director, Wizz Air Hungary</i>) Diederik Pen (<i>Executive Vice President and Group Chief Operations Officer</i>) Johan Eidhagen (<i>Chief Marketing and People Officer</i>) Marion Geoffroy (<i>Chief Corporate Officer</i>) Joel Goldberg (<i>Chief Digital Officer</i>) Heiko Holm (<i>Chief Operations Officer, Wizz Air Hungary</i>) Owain Jones (<i>Managing Director, Wizz Air UK</i>) George Michalopoulos (<i>Chief Commercial Officer</i>) András Sebök (<i>Chief Supply Chain Officer</i>) Iain Wetherall (<i>Chief Financial Officer</i>)
Company Secretary	Intertrust Corporate Services (Jersey) Limited 44 Esplanade St Helier JE4 9WG Jersey
Registered office	44 Esplanade St Helier JE4 9WG Jersey
Head office and Directors' business address	Le Lumion, Route François-Peyrot 12 Geneva International Airport 1218 Grand-Saconnex Switzerland
Sponsor	J.P. Morgan Securities plc 25 Bank Street London E14 5JP United Kingdom
Legal adviser to the Company as to English law	Cooley (UK) LLP 69 Old Broad Street London EC2M 1QS United Kingdom
Legal adviser to the Company as to Jersey law	Ogier 44 Esplanade St. Helier JE4 9WG Jersey
Registrars	Computershare Investor Services (Jersey) Limited Queensway House, Hilgrove Street St. Helier JE1 1ES Jersey

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and date</i>
Latest time and date for receipt of the Form of Proxy	11:00 a.m. (CET) on 28 October 2019
General Meeting.	11:00 a.m. (CET) on 30 October 2019
Announcement of the results of the General Meeting.	30 October 2019

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 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*)

Peter Agnefjäll (*Non-Executive Director*)

Andrew S. Broderick (*Non-Executive Director*)

Guido Demuynck (*Non-Executive Director*)

Simon Duffy (*Non-Executive Director and Senior Independent Director*)

Barry Eccleston (*Non-Executive Director*)

Susan Hooper (*Non-Executive Director*)

Stephen L. Johnson (*Non-Executive Director*)

Maria Kyriacou (*Non-Executive Director*)

4 October 2019

Dear Shareholder,

PROPOSED PURCHASE OF 20 AIRBUS A321XLR AIRCRAFT

NOTICE OF GENERAL MEETING

1. INTRODUCTION

On 19 June 2019, Wizz Air announced that it had signed a memorandum of understanding with Airbus relating to the exercise of a part of its existing options under the Existing NEO Purchase Agreement entered into in 2015 for the purchase of 20 A321XLR Aircraft. On 12 September 2019, Wizz Air entered into the 2019 NEO Purchase Agreement Amendment.

At 2018 aircraft average list prices for the A321neo Aircraft, the 2019 NEO Purchase Agreement Amendment relating to the Additional Aircraft is worth approximately US\$2.59 billion. Airbus has not published a list price for the A321XLR Aircraft and has not published any 2019 list prices for its aircraft. The principal terms and conditions of the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment are summarised in paragraph 5 (*The Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment*) of this letter and in Part 3: “*Summary of the terms and conditions of the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment*” of this Circular. The Board considers that the terms of the 2019 NEO Purchase Agreement Amendment are in the best interests of the Company and its Shareholders as a whole.

Given the size of the list price commitments under the 2019 NEO Purchase Agreement Amendment relative to the Company, the Proposed Purchase constitutes a “class 1 transaction” under the Listing Rules and therefore completion of the 2019 NEO Purchase Agreement Amendment is conditional upon the Company obtaining Shareholder approval. This approval will be sought at a General Meeting of the Company to be held at 11:00 a.m. (CET) on 30 October 2019 at the offices of the Company at Le Lumion, Route François-Peyrot 12, Geneva International Airport, 1218 Grand-Saconnex, 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 2019 NEO Purchase Agreement Amendment, 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 duly 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 six Airbus A321neo 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 duly approved by Shareholders at a general meeting held on 30 January 2018.

The Existing NEO Purchase Agreement also granted Wizz Air the right to purchase an additional 90 A321neo Aircraft, which can be exercised in four batches by June 2017, June 2018, June 2019 and June 2020, respectively. The Additional Aircraft are being acquired pursuant to the exercise of 20 of these purchase options, with Wizz Air and Airbus having agreed to convert the subject aircraft from the Airbus A321neo Aircraft to the Airbus A321XLR Aircraft. The Additional Aircraft will be acquired pursuant to the 2019 NEO Purchase Agreement Amendment. Following the conversion of 20 purchase rights aircraft to Airbus A321XLR Aircraft pursuant to the 2019 NEO Purchase Agreement Amendment and a reduction in the number of purchase rights aircraft, Wizz Air will have remaining purchase rights in respect of 28 A321neo Aircraft under the Existing NEO Purchase Agreement.

The A321XLR Aircraft will be operated with 239 seats, the same number as the Airbus A321neo Aircraft, to ensure full fleet commonality with Wizz Air's existing fleet. Whilst the A321XLR Aircraft can also be utilised on Wizz Air's existing network with comparable efficiency, the aircraft has an enhanced range capability compared to the Airbus A321neo. Wizz Air is currently flying a number of 5-6 hour routes, and the Board believes that the addition of the A321XLR Aircraft to the fleet will extend Wizz Air's value and service proposition with routes of 7-8 hours of flying. Furthermore, the Board believes that the inherent aircraft economics of the Airbus A321XLR Aircraft will widen the Company's competitive advantage for stimulating demand for air travel in CEE and beyond, while minimising Wizz Air's environmental footprint and operational complexity.

The Additional Aircraft will be delivered between 2023 and 2026. If approved, the purchase of the Additional Aircraft will result in a 14.04% compound annual growth rate in the number of aircraft and a 17.01% compound annual growth rate in seat capacity over the next 7 calendar years to 2026. The Proposed Purchase will bring Wizz Air's outstanding firm orders with Airbus to 276 aircraft for deliveries through 2026.

If the Proposed Purchase is not approved, then the Board believes that Wizz Air's ability 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 legacy carriers (national flag carriers and charter airlines) and a generally younger group of low-cost airlines. Low-cost airlines such as Wizz Air benefit from relatively simple business models, higher aircraft utilisation and staff productivity rates and therefore lower costs than their legacy rivals. 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, 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 is also 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, is generally stronger than in Western Europe (Source: Bloomberg). 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 fourth largest independent low-cost airline in Europe after Ryanair, Easyjet and Norwegian Air Shuttle as measured by the number of passengers carried. Although the average European propensity for air travel is 1.51, in the CEE region and Western Europe it was approximately 0.47 and 1.79 respectively in FY 2019 (Source: Eurostat 2018, CIA World Factbook). In addition, the low cost market experienced a higher growth in FY 2019 in CEE with 11.5% growth compared to 10.7% in Western Europe. The market share of low cost carriers is larger in CEE with low cost carriers making up 43% of the market in CEE as compared to 36% in Western Europe (Source: Innovata). Wizz Air believes this to be a significant market opportunity leading to compelling growth prospects for Wizz Air.

Eurocontrol, the European Organisation for the Safety of Air Navigation, forecasts that European air traffic will reach 12.7 million instrument flight rule movements by 2025, 15% more than in 2018. Airbus' 2018-2037 Global Market Forecast predicts that travel between Central Europe (as defined in the forecast) and Western Europe will increase by 2.8 times between 2018 and 2037.

Accession to the EU for a number of Eastern European countries over the past 15 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. Based on GDP growth figures compiled from market sources by Bloomberg, the Company estimates that GDP is projected to grow 1.5% in Western Europe and 2.5% in CEE between 2018 and 2020. Growing EU membership and the economic growth in CEE countries have also increased commercial links between CEE and Western Europe which have led to, and are expected to continue to lead to, a growth in business travel between these destinations.

As with all airlines in Europe, the outcome of the United Kingdom's Brexit referendum continues to cause significant uncertainty for Wizz Air's business because there is still overall uncertainty on how Brexit might happen (particularly whether the United Kingdom leaves the EU with or without a withdrawal agreement or transition period in place on 31 October 2019, following Boris Johnson becoming Prime Minister of the United Kingdom in July 2019). 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. The Company is in continual dialogue with various authorities to ensure that there is a general understanding of the need to maintain access to the liberalised market. Regardless of the outcome of Brexit, 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.

Wizz Air has grown significantly in recent years, with a compound annual growth rate in revenue of 17.3% from FY 2015 to FY 2019 and EBITDAR of 20.7% from FY 2015 to FY 2019, while Wizz Air's ex-fuel CASK was generally flat over the same period. Wizz Air's CASK and ex-fuel CASK are among the lowest of all publicly reporting European low-cost carriers, while Wizz Air's average ancillary revenue per passenger is among the highest of all publicly reporting European low-cost carriers.

The table below sets out certain key capacity and operating data and financial measures for Wizz Air for FY 2017, FY 2018 and FY 2019.

	FY 2017	FY 2018	FY 2019
Capacity			
Number of aircraft at end of period	79	93	112
Equivalent aircraft	72.13	85.3	103.2
Utilisation (block hours per aircraft per day)	12.48	12.68	12.02
Total block hours	329,592	394,624	452,550
Total flight hours	286,188	343,006	394,993
Revenue departures	141,698	168,208	190,019
Average departures per day per aircraft	5.37	5.41	5.05
Seat capacity	26,378,840	32,438,754	37,266,876
Average aircraft stage length (km)	1,582	1,589	1,618
Total ASKs ('000 km)	41,690,967	51,536,986	60,283,961
Operating Data			
RPKs (revenue passenger kilometres) ('000 km)	37,627,831	47,209,679	55,993,952
Load factor (%)	90.1	91.3	92.8
Number of passenger segments	23,764,385	29,632,357	34,566,688
Fuel price (US\$ per ton, including hedging impact and into-plane premium)	553	611	724
Foreign exchange rate (US\$/€ including hedging impact)	1.10	1.15	1.18
	FY 2017	FY 2018	FY 2019
Financial Measures			
Yield (revenue per RPK, € cents)	4.15	4.11	4.14
Average revenue per seat (€)	59.21	59.77	62.23
Average revenue per passenger (€)	65.73	65.43	67.10
RASK (€ cents)	3.75	3.76	3.85
CASK (€ cents)	3.15	3.19	3.35
Ex-fuel CASK (€ cents)	2.25	2.26	2.24
Operating profit margin (%) (continuing operations)	15.7	15.1	12.9
Net profit margin for the period (profit after tax divided by revenue) (%) (continuing operations)	14.3	14.1	12.7

Source: All measures for FY 2017 to FY 2019 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.

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 (i) the 2017 NEO Purchase Agreement Amendment to provide for the purchase of the additional 146 Airbus A320neo Family Aircraft and (ii) the 2019 NEO Purchase Agreement Amendment to provide for the purchase of the 20 A321XLR Aircraft is as set out in the table below. This base case delivery stream represents a 14.04% compound annual growth rate in the number of aircraft and a 17.01% compound annual growth rate in seat capacity in the period of 7 calendar years from 2019 to 2026.

	2019	2020	2021	2022	2023	2024	2025	2026	Total
A321ceo	7	0	0	0	0	0	0	0	7
A320neo	0	6	0	2	11	18	14	19	70
A321neo	7	14	29	39	23	12	31	31	186
A321XLR	0	0	0	0	4	6	6	4	20
Total number of units	<u>14</u>	<u>20</u>	<u>29</u>	<u>41</u>	<u>38</u>	<u>36</u>	<u>51</u>	<u>54</u>	<u>283</u>
Net growth⁽¹⁾ (unit)	<u>14</u>	<u>19</u>	<u>16</u>	<u>16</u>	<u>31</u>	<u>26</u>	<u>37</u>	<u>36</u>	<u>195</u>

Note:

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

5. THE EXISTING NEO PURCHASE AGREEMENT AND THE 2019 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 pursuant to the 2017 NEO Purchase Agreement Amendment on 29 December 2017 to provide for the purchase of an additional 146 Airbus A321neo Family Aircraft and on 12 September 2019 to provide for the purchase of the Additional Aircraft. Further details of the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment (pursuant to which the Company will purchase the Additional Aircraft), are contained in Part 3: “*Summary of the terms and conditions of the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment*” of this Circular.

Price

The 2019 NEO Purchase Agreement Amendment was negotiated and entered into with adherence to customary business and industry practice. The aggregate actual price for the Additional Aircraft, determined after an arm’s length negotiation between the parties, is lower than the 2018 aircraft average list price for an 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 Additional Aircraft or towards the purchase of goods and services from Airbus.

The Existing NEO Purchase Agreement contains 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 entering into the Existing NEO Purchase Agreement and 2019 NEO Purchase Agreement Amendment and would therefore not be in the interest of the Company and Shareholders as a whole.

Airbus has not published a list price for the A321XLR Aircraft and has not published any 2019 list prices for its aircraft. The A321XLR Aircraft is an A321neo Aircraft with extra features. The 2018 aircraft average list price for an A321neo Aircraft was US\$129.5 million, which would be increased for the extra-long range options of the A321XLR Aircraft. The Directors confirm that the final negotiated price for the A321XLR

Aircraft represents a very substantial discount from the 2018 aircraft average list price for an A321neo Aircraft.

The final price of each Additional Aircraft 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 which will be payable by Airbus. Escalation for the Additional Aircraft is subject to a maximum agreed percentage, beyond which neither Wizz Air Hungary nor Airbus is obliged to proceed with the delivery of a particular aircraft. Price increases for the Additional Aircraft are capped until 2026, being the scheduled delivery date of the final Additional Aircraft. If all of the Additional Aircraft are not delivered before 2026, those remaining undelivered Additional Aircraft may be subject to uncapped price escalation, unless Airbus and Wizz Air Hungary agree otherwise 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 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 under the 2019 NEO Purchase Agreement Amendment are highly advantageous and in the best interests of the Company and Shareholders as a whole.

In respect of the 2019 NEO Purchase Agreement Amendment, 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

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 type engines, manufactured by Pratt & Whitney, for installation on the Firm Aircraft. Under the 2019 Engine Purchase Agreement, the PW1133G-JM engine has been selected by Wizz Air Hungary for installation on the A321XLR Aircraft. The price of these engines is included in the final price of each A321XLR aircraft to be purchased under the 2019 NEO Purchase Agreement Amendment, with the 2018 aircraft average list price for an A321neo Aircraft including the average cost of the different choices of engines being as set out under the paragraph headed “Price” above.

Termination

Wizz Air Hungary will be committed to acquiring the Additional Aircraft under the 2019 NEO Purchase Agreement Amendment 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 2019 NEO Purchase Agreement Amendment requires the Company to have obtained shareholder approval of the Proposed Purchase by 31 October 2019.

6. FINANCING OF THE PROPOSED PURCHASE

At 3 October 2019 (being the latest practicable date prior to the publication of this Circular), Wizz Air had self-financed approximately US\$1,530 million of the pre-delivery payments for aircraft. Wizz Air has successfully financed and taken delivery of 119 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. Wizz Air is required to make certain pre-delivery payments under the 2019 NEO Purchase Agreement Amendment during the 12 months following the date of publication of this Circular. 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 Additional Aircraft. Given Wizz Air’s current financial standing and the strong market demand for the Airbus A321XLR Aircraft, the Company believes that competitive funding solutions will be achievable for each of the Additional Aircraft.

Wizz Air will retain flexibility in determining methods of financing the Additional 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. 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.

While the Board will regularly review optimal sources of financing, there is 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 Hungary entering into the 2019 NEO Purchase Agreement Amendment 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 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 2019 NEO Purchase Agreement Amendment, should help mitigate these risks.

8. CURRENT TRADING AND PROSPECTS

The Group traded well in FY 2019. Passenger numbers increased by 16.7% compared to FY 2018 to 34.6 million passengers. Total revenue (for continuing operations) in FY 2019 increased by 19.6% compared to FY 2018 to €2,319.1 million, split between €1,366.1 million of ticket revenue (a 20.7% increase compared to FY 2018) and €953.0 million of ancillary revenue (an 18.1% increase compared to FY 2018). CASK was 3.35 euro cents (airline only) in FY 2019, an increase of 4.9% compared to FY 2018, and ex-fuel CASK was 2.24 euro cents (airline only), a decrease of 0.9% compared to FY 2018. The net profit for continuing operations for FY 2019 was €295.3 million, 6.9% higher than the net profit for continuing operations of €276.4 million in FY 2018 and a profit margin of 12.7% for continuing operations was recorded, representing a decrease of 1.5 percentage points from FY 2018. The information in this paragraph has been extracted without material adjustment from the 2019 Annual Report and Accounts. All measures, other than revenue and net profit, are unaudited.

The Company published its unaudited first quarter results for FY 2020 (the period 1 April 2019 to 30 June 2019) on 25 July 2019 and the information in this paragraph has been extracted without material adjustment from that results announcement. Passenger numbers increased by 20.1% compared to the first quarter of FY 2019 to 10.4 million passengers. Total revenue increased by 25.4% compared to the first quarter of FY 2019 to €691.2 million, split between €379.3 million of ticket revenue (a 14.8% increase compared to the first quarter of FY 2019) and €311.9 million of ancillary revenue (a 41.4% increase compared to the first quarter of FY 2019). CASK was 3.39 euro cents, an increase of 2.0% compared to the first quarter of FY 2019, and ex-fuel CASK was 2.27 euro cents, a decrease of 1.2% compared to the first quarter of FY 2019. The net profit for the first quarter of FY 2020 was €72.4 million, 101.7% higher than a first quarter loss in FY 2019 of €29.3 million and a first quarter profit margin of 10.5% was recorded, representing an increase of 15.8 percentage points compared to the first quarter of FY 2019. The Company adopted the new accounting standard for leases (IFRS 16) from the start of FY 2020 and the comparative figures have been restated under the same accounting basis.

The Directors remain confident for FY 2020. Higher fuel prices are supporting a stronger fare environment compared to FY 2019 and the Board expects these macro conditions to provide Wizz Air with market share opportunities as weaker carriers withdraw unprofitable capacity. Wizz Air's ability to drive cost advantage further and offer lower fares across the Company's ever expanding network will lead to an expected 20% increase in passenger numbers to 42 million in FY 2020. Although only six months into FY 2020, Wizz Air's net profit is expected to be in a range of between €320 million and €350 million in FY 2020. As usual, this guidance is dependent on the revenue performance for the second half of FY 2020, a period for which Wizz Air, like most airlines, currently has limited visibility.

Wizz Air's cost focus, market leading position in CEE, pipeline of 253 larger and more fuel efficient game-changing Airbus A320neo Family Aircraft, the proposed addition of 20 Airbus A321XLR Aircraft and its investment-grade balance sheet are the strongest of foundations for Wizz Air to continue to drive profitable growth and achieve one of the highest profit margins of all European airlines, ensuring that Wizz Air remains one of the most exciting airline businesses in the world.

The above statement 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 11:00 a.m. (CET) on 30 October 2019 at the offices of the Company at Le Lumion, Route François-Peyrot 12, Geneva International Airport, 1218 Grand-Saconnex, Switzerland. At the General Meeting an ordinary resolution to approve the 2019 NEO Purchase Agreement Amendment will be proposed. The text of the Resolution is set out in Part 6: "*Notice of General Meeting*" 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 11:00 a.m. (CET) on 28 October 2019. 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 16,977,894 Ordinary Shares, representing approximately 23.3% of the existing share capital of the Company as at 3 October 2019 (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', written in a cursive style.

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 2019 NEO Purchase Agreement Amendment or that represent new or changed risks to Wizz Air as a consequence of the 2019 NEO Purchase Agreement Amendment 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 2019 NEO Purchase Agreement Amendment, 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 2019 NEO Purchase Agreement Amendment is conditional on Shareholder approval

The 2019 NEO Purchase Agreement Amendment is conditional upon Shareholders approving the Resolution. There can be no assurance that such approval will be obtained. The Board considers that the 2019 NEO Purchase Agreement Amendment is in the best interests of the Company and Shareholders as a whole. If the 2019 NEO Purchase Agreement Amendment does not become effective due to Shareholder approval not being obtained, the Company may not be able to obtain terms for the purchase of A321XLR Aircraft as favourable as those pursuant to the 2019 NEO Purchase Agreement Amendment in the future. The risks set out in the section below entitled “*Risks related to, resulting from or impacted by the 2019 NEO Purchase Agreement Amendment not becoming effective*” would apply if the 2019 NEO Purchase Agreement Amendment did not become effective.

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

The 2019 NEO Purchase Agreement Amendment requires substantial payments, including pre-delivery payments, by Wizz Air once the 2019 NEO Purchase Agreement Amendment is approved by Shareholders and up to the delivery of the final aircraft, currently scheduled for 2026. While there is flexibility built into the 2019 NEO Purchase Agreement Amendment through rights to modify the timing of a proportion of the deliveries, the 2019 NEO Purchase Agreement Amendment 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 over the term of the 2019 NEO Purchase Agreement Amendment. 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 Additional Aircraft as well as the 251 outstanding aircraft under the Existing NEO Purchase Agreement, the 2017 NEO Purchase Agreement Amendment and the 2019 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 under the 2019 NEO Purchase Agreement Amendment

The ability of Wizz Air to meet its obligations under the 2019 NEO Purchase Agreement Amendment 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 over the term of the 2019 NEO Purchase Agreement Amendment. 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 under the 2019 NEO Purchase Agreement Amendment.

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 Additional Aircraft. Wizz Air is also required to make certain pre-delivery payments under the 2019 NEO Purchase Agreement Amendment during the 12 months following the date of publication of this Circular.

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 A321XLR Aircraft and the PW1133G-JM engines in respect of aircraft purchased under the 2019 NEO Purchase Agreement Amendment

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 type engines, manufactured by Pratt & Whitney, for installation on the Firm Aircraft. Under the 2019 Engine Purchase Agreement, the PW1133G-JM engine has been selected by Wizz Air Hungary for installation on the A321XLR Aircraft. The PW1133G-JM engine is a new design and the Company has selected the use of the Pratt & Whitney PW1133G-JM engine in connection with the six Airbus A321neo Aircraft (purchased under the Existing NEO Purchase Agreement) it has taken delivery of to date. 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 A321XLR 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 A321XLR 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 A321XLR 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 A321XLR 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 in connection with the performance and suitability of the PW1100G-JM engines

If either Wizz Air's aircraft manufacturer (Airbus) or engine manufacturers (IAE and Pratt & Whitney) 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 A320neo Family Aircraft or the IAE V2500 type engine or the A320neo Family Aircraft and the A321XLR Aircraft, or the PW1100G-JM type engine. 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 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 A320neo Family Aircraft, which may increase if airlines switch new aircraft orders to Airbus following the extended grounding of the Boeing 737 Max 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 2019 NEO PURCHASE AGREEMENT AMENDMENT NOT BECOMING EFFECTIVE

Wizz Air may be unable to realise incremental Shareholder value

The Board considers that the 2019 NEO Purchase Agreement Amendment 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 Additional Aircraft to continue to implement its growth plans over the medium term. The Board believes that adding the Additional Aircraft to its fleet will represent a significant opportunity for Wizz Air to further expand its network and connect points that are currently out of reach, given the enhanced range capability of the A321XLR Aircraft.

If the 2019 NEO Purchase Agreement Amendment does not become effective, other airlines may take advantage of the fuel efficiency provided by new generation engine technology, or to offer routes of 7-8 hours on points on Wizz Air's network, and/or to drive down CASK with larger capacity aircraft 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 2019 NEO Purchase Agreement Amendment 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 2019 costs were incurred in US Dollars, including aviation fuel, payments under aircraft leases, a significant part of maintenance payments and aviation insurance. 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 an increase of the Company's fuel and leasing costs and may impact results and margins.

The price of each aircraft to be purchased under the 2019 NEO Purchase Agreement Amendment is denominated in US Dollars. In addition, Wizz Air will be required to make pre-delivery payments under the 2019 NEO Purchase Agreement Amendment in US Dollars and such payments will then be recorded as assets denominated in US Dollars on its balance sheet.

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, but 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 119 aircraft in its fleet as at 3 October 2019 (being the latest practicable date prior to the publication of this Circular), 10 are currently held pursuant to operating leases 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 aircraft to be purchased under the 2019 NEO Purchase Agreement Amendment pursuant to financing arrangements with variable interest rates.

Wizz Air did not use financial derivatives to hedge its interest rate risk during FY 2017, FY 2018 or FY 2019. 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 20 Additional Aircraft it is committed to purchase from Airbus pursuant to the 2019 NEO Purchase Agreement Amendment

Although the order for 20 Additional 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 and failing governments, accidents, terrorist attacks, natural catastrophes such as volcanic eruptions, climate change, outbreaks of diseases and general economic conditions; for example, the terms on which the United Kingdom leaves the EU and how this will affect access to the liberalised air market and/or impact on economic conditions in the United Kingdom or EU and/or increasing nationalist agendas in certain of Wizz Air's core CEE markets, potentially impacting on the regime for operating in those countries. 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 aircraft under the 2019 NEO Purchase Agreement Amendment 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 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. An outbreak of a contagious disease, such as avian flu, swine flu, ZIKA, severe acute respiratory syndrome (SARS) or Ebola, or another contagious disease with the potential to become a pandemic, could affect travel behaviour by reducing passenger traffic, either generally or to offered destinations.

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 Additional Aircraft under the 2019 NEO Purchase

Agreement Amendment, 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 are the largest component of Wizz Air's operating costs, accounting for 33.1% of Wizz Air's total operating costs in FY 2019 and 29.2% of Wizz Air's total operating costs in FY 2018. 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. Wizz Air incurs fuel costs in US Dollars. Wizz Air typically hedges a portion of its expected fuel consumption using zero-cost collar instruments over a period of 18 months, however the portion and horizon can be exceeded at the Board's discretion. Wizz Air's average hedge coverage is currently approximately 70% on a rolling 12 month horizon and approximately 59% on a rolling 18 month horizon. The Company policy minimum hedge levels are 40% for rolling 18 month periods and 50% for rolling 12 month periods and policy maximums are 60% for rolling 18 month periods and 70% for rolling 12 month periods. Although Wizz Air has a policy of hedging a portion of its projected aviation fuel requirements, hedging contracts do not fully protect it from significant increases.

If fuel prices fall significantly from current levels then the advantages of operating the more fuel efficient A321XLR Aircraft would reduce. Whilst the 2019 NEO Purchase Agreement Amendment 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 aircraft under the 2019 NEO Purchase Agreement Amendment, 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 2019 NEO Purchase Agreement Amendment does not become effective, Wizz Air will not be able to take advantage of the fuel efficiency of the A321XLR 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 2019, 96% of the Group's bookings were made through 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 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. 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 Additional Aircraft under the 2019 NEO Purchase Agreement Amendment.

Like other airlines, Wizz Air is exposed to climate risk

Wizz Air recognizes the risk related to oil consumption and CO2 emissions, which are considered a cause of climate change. Greenhouse gas emissions and their potential impacts relating to climate change is becoming an increasing global regulatory focus. Aviation is already included in the EU Emissions Trading System and the Company expects to be part of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) when effective. In October 2016, the International Civil Aviation Organization adopted 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. CORSIA is expected to increase operating costs for airlines that operate internationally. Until new 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 the aviation industry as a whole over time. However, the precise nature of future requirements and their applicability to the Company are hard to predict, and, regardless of any changes to regulation, Wizz Air Hungary would still be committed to purchase the Additional Aircraft under the 2019 NEO Purchase Agreement Amendment.

There is considerable uncertainty in the aviation industry as regards the consequences of the United Kingdom leaving the EU without a withdrawal agreement in place and its impact on EU ownership and control requirements

Wizz Air Hungary relies on an air operator's certificate (AOC) and operating licence issued by the Hungarian Civil Aviation Authority and Wizz Air UK relies on an AOC and operating licence issued by the United Kingdom Civil Aviation Authority. In each case the licences allow the airline to operate air services both within Europe and to and from countries with which Europe has liberalised air traffic agreements. Each operating licence requires the Company to be majority owned and effectively controlled by qualifying nationals, which currently means nationals of the European Economic Area and Switzerland. If the Company ceases to be majority owned and effectively controlled by qualifying nationals, then its operating licence, and so its right to operate its business, could be at risk. In view of the risk of the United Kingdom leaving the EU without a withdrawal agreement and/or transition period in place, and as the outcome remains uncertain, Wizz Air has held discussions with the European Commission and with the Hungarian Civil Aviation Authority and established an ownership and control contingency plan based on a specific EU Aviation Regulation published in March 2019. Any suspension or revocation of Wizz Air's operating licence 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 Additional Aircraft under the 2019 NEO Purchase Agreement Amendment.

PART 3

SUMMARY OF THE TERMS AND CONDITIONS OF THE EXISTING NEO PURCHASE AGREEMENT AND THE 2019 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 duly 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 six Airbus A321neo 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 duly approved by Shareholders at a general meeting held on 30 January 2018.

The 2019 NEO Purchase Agreement Amendment, which was entered into by Wizz Air Hungary on 12 September 2019, subject to Shareholder approval, provides for the purchase of 20 A321XLR Aircraft for delivery between 2023 and 2026. The 2019 NEO Purchase Agreement Amendment gives Wizz Air a significant amount of flexibility to ensure that the aircraft delivery schedule meets Wizz Air's operational requirements, including the possibility to (i) substitute up to 10 of the A320neo Family Aircraft to be acquired pursuant to the 2017 NEO Purchase Agreement Amendment with A321XLR Aircraft and/or (ii) substitute up to 10 of the A321XLR Aircraft to be acquired pursuant to the 2019 NEO Purchase Agreement Amendment with A320neo Family Aircraft.

2. DELIVERY SCHEDULE

The Additional Aircraft are scheduled for delivery as follows:

Current contracted delivery schedule	Calendar year			
	2023	2024	2025	2026
A321XLR Aircraft	4	6	6	4

3. PRICE

Airbus has not published a list price for the A321XLR Aircraft and has not published any 2019 list prices for its aircraft. The A321XLR Aircraft is an A321neo Aircraft with extra features. The 2018 aircraft average list price for an A321neo Aircraft was US\$129.5 million, which would be increased for the extra-long range options of the A321XLR Aircraft. The Directors confirm that the final negotiated price for the A321XLR Aircraft represents a very substantial discount from the 2018 aircraft average list price for an A321neo Aircraft.

The final price of each Additional Aircraft 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 which will be payable by Airbus. Escalation for the Additional Aircraft is subject to a maximum agreed percentage, beyond which neither Wizz Air Hungary nor Airbus is obliged to proceed with the delivery of a particular

aircraft. Price increases for the Additional Aircraft are capped until 2026, being the scheduled delivery date of the final Additional Aircraft. If all of the Additional Aircraft are not delivered before 2026, those remaining undelivered Additional Aircraft may be subject to uncapped price escalation, unless Airbus and Wizz Air Hungary agree otherwise at the relevant time.

Airbus has granted very substantial discounts to Wizz Air Hungary under the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment. 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 Additional Aircraft will be substantially below the 2018 aircraft average list price for an A321neo Aircraft mentioned above.

4. ENGINE SELECTION

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 type engines, manufactured by Pratt & Whitney, for installation on the Firm Aircraft. Under the 2019 Engine Purchase Agreement, the PW1133G-JM engine has been selected by Wizz Air Hungary for installation on the A321XLR Aircraft.

5. PAYMENT TERMS

Wizz Air Hungary will make certain pre-delivery payments to Airbus under the 2019 NEO Purchase Agreement Amendment. 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 A321XLR 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 and the 2019 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 and the 2019 NEO Purchase Agreement Amendment in relation to the affected aircraft. Either party may terminate the Existing NEO Purchase Agreement and the 2019 NEO

Purchase Agreement Amendment in relation to an aircraft the scheduled delivery date of which is delayed by more than twelve months 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 Wizz Air Hungary has contractual recourse against Airbus. Either party may terminate the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment in relation to an aircraft the scheduled delivery date of which is delayed by more than twelve months as a result of a non-excusable delay.

The 2019 NEO Purchase Agreement Amendment requires the Company to have obtained shareholder approval of the Proposed Purchase by 31 October 2019.

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 principal place of business of the Company and the Directors' business address is Le Lumion, Route François-Peyrot 12, Geneva International Airport, 1218 Grand-Saconnex, Switzerland. The telephone number of the Company's principal place of business is +41 22 555 9858.

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. 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	(Chairman)
József Váradi	(Chief Executive Officer)
Peter Agnefjäll	(Non-Executive Director)
Andrew S. Broderick	(Non-Executive Director)
Guido Demuynck	(Non-Executive Director)
Simon Duffy	(Non-Executive Director and Senior Independent Director)
Barry Eccleston	(Non-Executive Director)
Susan Hooper	(Non-Executive Director)
Stephen L. Johnson	(Non-Executive Director)
Maria Kyriacou	(Non-Executive Director)

4. DIRECTORS' AND SENIOR MANAGERS' INTERESTS

4.1 As at 3 October 2019 (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 MAR in the issued share capital of the Company that have been notified by each Director and Senior Manager to the Company pursuant to MAR are as follows:

	Direct ownership	Interests		Total Ordinary Shares Interests
	Number of Ordinary Shares	Number of Ordinary Shares	Number of Convertible Shares	
Directors				
William A. Franke ⁽¹⁾	52,750	15,004,750	29,830,503	15,057,500
József Váradi ⁽²⁾	10,500	1,844,144	–	1,854,644
Peter Agnefjäll	–	–	–	–
Andrew S. Broderick	–	–	–	–
Guido Demuynck	5,250	–	–	5,250
Simon Duffy	5,250	–	–	5,250
Barry Eccleston	2,500	–	–	2,500
Susan Hooper	–	–	–	–
Stephen L. Johnson	52,750	–	–	52,750
Maria Kyriacou	–	–	–	–

Note:

- (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 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
Stephen Jones	–
Diederik Pen	46,310
Johan Eihagen	–
Heiko Holm	4,800
Owain Jones	–
George Michalopoulos	–
András Sebök	12,000
Joel Goldberg	–
Marion Geoffroy	–
Iain Wetherall	2,850

- 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 3 October 2019 (being the latest practicable date prior to the publication of this Circular):

Directors	ESOP	LTIP/2015	LTIP/2016	LTIP/2017	LTIP/2018	LTIP/2019	Total
József Váradi	–	73,805 ⁽¹⁾	42,635 ⁽¹⁾	70,698	40,282	46,796	274,216
Senior Managers							
Stephen Jones	–	–	–	23,350	29,000	30,300	82,650
Diederik Pen	–	19,499	14,000	28,000	29,000	30,300	120,799
Johan Eidhagen	25,000	3,000	11,250	22,500	17,500	17,600	96,850
Heiko Holm	7,500	2,500	2,250	21,352	17,500	17,600	68,702
Owain Jones	140,000	–	12,500	22,500	17,500	17,600	210,100
George Michalopoulos	2,000	3,000	20,612	22,500	17,500	17,600	83,212
András Sebők	–	3,000	3,000	3,000	4,000	17,600	30,600
Joel Goldberg	–	–	–	–	15,406	17,600	33,006
Marion Geoffroy	–	2,500	3,000	3,000	16,163	17,600	42,263
Iain Wetherall	–	4,000	2,250	21,290	17,500	17,600	62,640

Note:

- (1) On 27 September 2019, Mr. Váradi transferred these options to a family trust company.

- 4.3 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.

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 2019 Annual Report and Accounts and a summary of which is provided below.

Executive Director

- 5.2 The Chief Executive Officer entered into a new service agreement with the Geneva branch of WAHL on 15 December 2015, for a period of five years, subject to earlier termination upon six months' notice by either party. WAHL also has 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 WAHL or any of its business partners in the EU as well as those non-EU countries where WAHL 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 WAHL 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. Upon a group reorganisation effective from 1 January 2019, the Chief Executive Officer ceased to have a service agreement with WAHL. Mr. Váradi became Group Chief Executive Officer and entered into a service agreement with the Geneva branch of the Company. The terms and conditions that applied to the service agreement entered into with WAHL have been restated in his service agreement entered into with the Geneva branch of the Company.

Non-Executive Directors

- 5.3 The Company entered into letters of appointment with each of its Non-Executive Directors on 4 June 2014 (other than Ms. Susan Hooper, Mr. Barry Eccleston, Mr. Peter Agnefjäll, Mr. Andrew Broderick and Ms. Maria Kyriacou) 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. Ms. Susan Hooper was appointed on 1 March 2016 and her appointment was extended for a further three years on 1 March 2019. Mr. Barry Eccleston, Mr. Peter Agnefjäll, Ms. Maria Kyriacou and Mr. Andrew Broderick were respectively appointed on 1 June 2018, 24 July 2018, 25 September 2018 and 16 April 2019. 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.

- 5.4 Following a review of Non-Executive Director and Chairman fee levels against external pay benchmarks and noting that Non-Executive Director and Chairman fees have remain unchanged since before Wizz Air’s IPO in 2015, the Board deemed it appropriate to increase the Non-Executive Directorship fee from €25,000 to €30,000 per annum and the Board attendance fee from €2,500 to €5,000 for each full Board meeting attended, for FY 2019. Simon Duffy, as chairman of the Audit Committee, will receive an additional fee of €18,750 per annum for taking on that role. Guido Demuynck, as chairman of the Remuneration Committee, will receive an additional fee of €12,500 per annum for taking on that role. Simon Duffy, as Senior Independent Director will receive an additional fee of €10,000. Barry Eccleston, as Independent Non-Executive Director overseeing engagement with employees will receive an additional fee of €2,500 per event attended.
- 5.5 Mr. Franke, as Chairman, will receive a fee of €235,000 per annum for taking on that role. As noted in the 2019 Annual Report and Accounts, the previous Chairman’s fee of €75,000 (which comprised the previous Non-Executive Directorship fee of €25,000, an additional €25,000 for taking on that role plus meeting attendance fees) had remained unchanged since before Wizz Air’s IPO in 2015 and, following a review against external pay benchmarks, was found to be significantly below the lowest Non-Executive Chairman’s fee for FTSE 250 companies. Given the significantly greater size, complexity and value of the Company since the IPO and the increased time commitment of the Chairman to the Company, the increase brought the Chairman’s fee in line with the median, which is consistent with the Company’s general policy on pay.
- 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:

	Date of appointment in current service contract or letter of appointment/date of first appointment to the Board	Expiry date of service contract letter of appointment
Executive Director		
József Váradi	1 January 2019/16 June 2009	N/A
Non-Executive Directors		
William A. Franke	2 March 2018/7 October 2009	N/A
Simon Duffy	2 March 2018/1 January 2014	N/A
Peter Agnefjäll	24 July 2018/24 July 2018	N/A
Andrew S. Broderick	16 April 2019/16 April 2019	N/A
Guido Demuynck	2 March 2018/1 February 2014	N/A
Barry Eccleston	1 June 2018/1 June 2018	N/A
Susan Hooper	1 March 2019/1 March 2016	N/A
Stephen L. Johnson	2 March 2018/5 August 2011	N/A
Maria Kyriacou	25 September 2018/25 September 2018	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 3 October 2019 (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 Shares Capital
Indigo Hungary LP	11,515,509	15.8%
FMR LLC	5,713,122	7.9%
The Capital Group Companies Inc.	3,855,647	5.3%
FIL Investments International	3,850,665	5.3%
Indigo Maple Hill L.P.	3,484,491	4.8%

- 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 3 October 2019 (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 25 July 2019, as part of its first quarter results for FY 2020, the Company provided an update of its net profit guidance for the full year financial performance for FY 2020 which constitutes a Profit Forecast for the purposes of the Listing Rules. The table below sets out the components of the Company's full year performance outlook.

	FY 2020
Capacity growth (ASKs)	+ 20%
Average stage length	Moderate increase
Load Factor	+ 1%
Fuel CASK	+ 7%
Ex-fuel CASK (including net interest expense)	Broadly flat
Total CASK	+ 2%
RASK	Slightly positive
Tax rate	4%
Net profit	€320 million – €350 million

Note: This forecast assumes a fuel price of US\$650 and a Euro/US dollar rate of 1.12.

- 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 properly compiled on the basis of the assumptions stated below and on a basis consistent with the accounting policies of Wizz Air used for the purposes of preparation of the 2017 Annual Report and Accounts, 2018 Annual Report and Accounts and 2019 Annual Report and Accounts, which are expected by the Directors to be applicable for FY 2020 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.
- 8.5 Factors outside the influence or control of the Directors:
- (a) there will be no fundamental changes in the political and/or economic environment that would materially affect the Group during the seven month forecast period to 31 March 2020;
 - (b) there will be no material changes in market conditions over the seven month forecast period to 31 March 2020 in relation to either customer demand or the competitive environment;
 - (c) other than the potential negative impact of the United Kingdom leaving the EU without a withdrawal agreement or transition period in place on 31 October 2019 (or later), there will be no material change in legislation or regulatory requirements impacting the Group's operations or its accounting policies;
 - (d) 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;
 - (e) US\$/Euro foreign exchange rates will be an average of US\$1.12 for the remainder of the forecast period to 31 March 2020;
 - (f) jet fuel price will be US\$650 per metric tonne for the remainder of the forecast period to 31 March 2020; and
 - (g) 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 2020;
 - (b) there will be no material change in the present management or control of the Group or its existing operational strategy;
 - (c) RASK will be slightly positive for FY 2020 as compared to FY 2019;
 - (d) there will be approximately 1 percentage point load factor improvement over the prior financial year; and
 - (e) ex-fuel CASK (including net interest expense) will be broadly flat in FY 2020.

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 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 this Circular;
- (b) 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;
- (c) 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;
- (d) the material contracts disclosed in paragraphs 13.4 to 13.5 and 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
- (e) ***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 A320neo Aircraft and PW1133G-JM for the A321neo Aircraft and the A321XLR Aircraft) for installation on the Firm Aircraft and to sell 41 spare engines to Wizz Air Hungary (Wizz Air Hungary also has the option to purchase up to an additional 3 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 Firm Aircraft.

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, distraint 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 Firm Aircraft, (iv) there is a failure to take delivery of the Firm Aircraft 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 Firm Aircraft in certain circumstances.

- (f) (i) ***Aircraft sale and leaseback agreements***

FPG

On 26 February 2019, Wizz Air Hungary concluded a sale arrangement with FPG in relation to the sale and leaseback (by operating lease) of three A321neo Aircraft.

The main transaction documents comprise an aircraft sale agreement and a lease agreement, pursuant to which FPG 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 an option to extend (i) the initial term of the leases by six or twenty-four months; and (ii) the term of the leases by a further twenty-four months, in each case, upon giving written notice no later than twelve months prior to the expiry of the initial lease term. Pursuant

to the aircraft sale agreement and lease agreement, Wizz Air Hungary and FPG shall discuss the amount of rent that will be payable in respect of twenty-four month extended term.

Wizz Air Hungary 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, FPG may request the immediate return of the aircraft or seek repossession of the aircraft.

Wizz Air Hungary has agreed to indemnify FPG on demand for expenses incurred in connection with an event of default, including loss of profit because of FPG inability to place the aircraft on lease with another lessee on terms as favourable. Such events of default include any failure by Wizz Air Hungary 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 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 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 and ING

On 12 August 2019, Wizz Air Hungary concluded a sale arrangement with SMFL in relation to the sale and leaseback of three A321neo Aircraft (with an option to purchase the aircraft during lease term).

The main transaction documents comprise an aircraft sale agreement, lease agreement and a loan agreement, pursuant to which SMFL has leased the aircraft to Wizz Air Hungary for an initial term of fifteen years from the date on which the relevant aircraft is sold to SMFL (Danube Leasing Co., Ltd.). In order to finance the purchase of one of the aircraft, SMFL has borrowed a portion of the aircraft purchase price from SMBC. In order to finance the purchase of the remaining two aircraft, SMFL has borrowed from ING bank. Under the lease agreements, Wizz Air Hungary 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. The exercise of such option is without prejudice to Wizz Air Hungary's and SMFL's rights to terminate the leasing of the 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 Hungary.

Wizz Air Hungary 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, SMFL may request the immediate return of the aircraft or seek repossession of the aircraft.

Wizz Air Hungary has agreed to indemnify SMFL on demand for 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 Hungary 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 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 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 2017, FY 2018 and FY 2019 and up to the date of this Circular:

- (a) transactions with key management personnel, further details of which are included in note 36 on page 118 of the 2017 Annual Report and Accounts, in note 36 on page 121 of the 2018 Annual Report and Accounts and in note 36 on page 133 of the 2019 Annual Report and Accounts each of which is hereby incorporated by reference into this Circular;
- (b) transactions with Indigo Partners LLC, further details of which are included in note 36 on page 118 of the 2017 Annual Report and Accounts, in note 36 on page 121 of the 2018 Annual Report and Accounts and in note 36 on page 134 of the 2019 Annual Report and Accounts each of which are hereby incorporated by reference into this Circular; and
- (c) transactions with Éden Rent Kft., further details of which are included in note 36 on page 119 of the 2017 Annual Report and Accounts which is hereby incorporated by reference into this Circular. The relevant officer to whom this transaction relates has now left the Company, and Éden Rent Kft was no longer a related party as of 31 March 2018.

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 2019, and there have been no related party transactions entered into by the Company since 31 March 2019.

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 has 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 new EU Guidelines on State aid to airports and airlines (2014/C 99/03), 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. 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, has initiated a number of legal proceedings in Romania alleging that Wizz Air has been receiving state aid from Timișoara Airport. Essentially, Carpatair has been seeking a decision on whether the scheme of charges applied by Timișoara Airport in the context of Wizz Air's operations to/from Timișoara Airport constitutes state aid. In 2012, the Romanian courts confirmed in a final decision that the scheme of charges applied by Timișoara Airport constituted state aid, referencing an amount of approximately €3 million. Following this decision, Carpatair has been seeking a court order obliging Wizz Air to reimburse any such aid to Timișoara Airport. A decision on this matter has been suspended pending the outcome of a separate proceeding initiated by Timișoara Airport on a related question of law. In parallel, Carpatair has initiated an action for damages against, amongst others, Wizz Air, alleging to

have suffered approximately €93 million in damages as a consequence of (i) state aid granted by Timișoara Airport, and (ii) an alleged abuse of a dominant position on the part of Timișoara Airport. On 12 July 2018, the court of first instance found that (i) Carpatair lacks a legal interest for a part of its damages claim, and (ii) the term of statutes of limitations has expired for the other part of Carpatair's damages claim, which was consequently dismissed in full. The decision is currently under appeal. No provision has been made by the Group in relation to these issues because there is currently no reason to believe that the Group will incur charges from these cases.

12. SIGNIFICANT CHANGE

There has been no significant change in the financial position or financial performance of the Group since 31 March 2019, the date to which the Company's latest audited financial information for the financial year to 31 March 2019 were 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: " <i>Additional Information</i> " of the IPO Prospectus	Section 9 of this Part 4	269-272
Note 36 to the 2017 Annual Report and Accounts	Section 10 of this Part 4	118-119
Note 36 to the 2018 Annual Report and Accounts	Section 10 of this Part 4	121-122
Note 36 to the 2019 Annual Report and Accounts	Section 10 of this Part 4	133-134
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

The sections of the IPO Prospectus, 2015 Circular, 2017 Circular, 2018 Circular, 2017 Annual Report and Accounts, 2018 Annual Report and Accounts and 2019 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

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 the Company's corporate headquarters at Le Lumion, Route François-Peyrot 12, Geneva International Airport, 1218 Grand-Saconnex, Switzerland and at the offices of Cooley (UK) LLP at 69 Old Broad Street, London EC2M 1QS, United Kingdom, and will also be made available on the Company's website at 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 2019;
- (d) the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment (with certain commercially sensitive terms redacted); and
- (e) this Circular.

Dated: 4 October 2019

PART 5

DEFINITIONS

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

“€” or “Euro”	the lawful currency of the European Union, from time to time;
“2015 Circular”	the circular published by the Company on 15 October 2015 in relation to the NEO Purchase Agreement;
“2017 Annual Report and Accounts”	the audited and consolidated annual report and accounts (including relevant accounting policies and notes) of the Group and the audit report thereon for FY 2017;
“2017 Circular”	the circular published by the Company on 25 July 2017 in relation to the CEO Purchase Agreement Amendment;
“2017 NEO Purchase Agreement Amendment”	the amendment to the Existing NEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to the purchase of the 146 additional A320neo Family Aircraft dated 29 December 2017;
“2018 Annual Report and Accounts”	the audited and consolidated annual report and accounts (including relevant accounting policies and notes) of the Group and the audit report thereon for FY 2018;
“2018 Circular”	the circular published by the Company on 12 January 2018 in relation to the 2017 NEO Purchase Agreement Amendment;
“2019 Annual Report and Accounts”	the audited and consolidated annual report and accounts (including relevant accounting policies and notes) of the Group and the audit report thereon for FY 2019;
“2019 NEO Purchase Agreement Amendment”	the amendment to the Existing NEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to the purchase of the Additional Aircraft dated 12 September 2019;
“2019 Engine Purchase Agreement”	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 Firm Aircraft 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));
“A320ceo Aircraft”	a variant of the current generation A320 Family Aircraft (A320 variant) equipped with current IAE V2500 Engine variant as contemplated by the Existing CEO Purchase Agreement;
“A320neo Aircraft”	new generation Airbus A320 aircraft equipped with the PW1127G-JM engine;
“A320neo Family Aircraft”	Airbus A320neo Aircraft and A321neo Aircraft;
“A321ceo Aircraft”	a variant of the current generation A320 Family Aircraft (A321 variant) equipped with current IAE V2500 Engine variant as contemplated by the Existing CEO Purchase Agreement and CEO Purchase Agreement Amendment;

“A321ceo Family Aircraft”	Airbus A320ceo Aircraft and A321ceo Aircraft;
“A320neo Aircraft”	new generation Airbus A320 aircraft equipped with the New Engine Option;
“A321neo Aircraft”	new generation Airbus A321 aircraft equipped with the PW1133G-JM engine;
“A321XLR Aircraft”	new generation Airbus A321XLR aircraft equipped with the PW1133G-JM engine;
“Accipiter Investments”	Accipiter Investments Aircraft 3 Limited;
“Additional Aircraft”	the 20 A321XLR Aircraft (and/or, if Wizz Air Hungary exercises any rights to substitute or convert any of such A321XLR Aircraft to A320neo Family Aircraft (as discussed in Part 3: “ <i>Summary of the Terms and Conditions of the Existing NEO Purchase Agreement and the 2019 NEO Purchase Agreement Amendment</i> ”) such A320neo Family Aircraft), which are the subject of the 2019 NEO Purchase Agreement Amendment;
“Airbus”	Airbus SAS (including, where the context requires, its subsidiary undertakings);
“ASK”	available seat kilometres, the number of seats available for scheduled passengers multiplied by the number of kilometres those seats were flown;
“Board”	the board of directors of the Company from time to time including a duly constituted committee thereof;
“Brexit”	the United Kingdom’s withdrawal from the EU;
“CASK”	operating cost per ASK;
“CEE”	Central and Eastern Europe;
“CEO Purchase Agreement Amendment”	the amendment to the Existing CEO Purchase Agreement entered into between Wizz Air Hungary and Airbus relating to the purchase of the 10 additional A321ceo Aircraft dated 21 June 2017;
“CEO” or “Current Engine Option”	the IAE V2500 SelectOne engine installed on the Group’s A321ceo Aircraft and A320ceo Aircraft;
“CET”	Central European Time;
“CFM”	CFM International S.A. (including, where the context requires, its subsidiary undertakings);
“Circular”	this circular published by the Company in connection with the Proposed Purchase dated 4 October 2019;
“Company”	Wizz Air Holdings Plc, a company incorporated under the Jersey Companies Law and registered in Jersey with registered number 103356;
“Computershare” or “Registrar”	Computershare Investor Services (Jersey) Limited of Queensway House, Hilgrove Street, St. Helier JE1 1ES, Jersey;
“Convertible Shares”	non-voting, non-participating convertible shares of £0.0001 each in the share capital of the Company;

“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules of the FCA made in accordance with section 73A of the FSMA;
“EU”	the European Union;
“EU-15”	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;
“Executive Director”	József Váradi;
“ex-fuel CASK”	operating cost net of fuel expense per ASK;
“Existing CEO Purchase Agreement”	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;
“Existing Committed Aircraft Financing Arrangements”	the aircraft sale and leaseback agreements described in paragraphs (f)(i) and (ii) of section 9 (<i>Material contracts</i>) of Part 4: “ <i>Additional Information</i> ” of this Circular;
“Existing NEO Purchase Agreement”	the aircraft purchase agreement dated 11 September 2015 relating to the purchase of 110 A321neo Aircraft and 90 purchase rights;
“Form of Proxy”	the form of proxy for use at the General Meeting;
“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;
“Firm Aircraft”	the 276 aircraft subject to the 2019 Engine Purchase Agreement comprising: (i) 110 Airbus A321neo Aircraft (purchased under the Existing NEO Purchase Agreement) (ii) 146 Airbus A320neo Family Aircraft (purchased under the 2017 NEO Purchase Agreement Amendment) and (iii) 20 Airbus A321XLR Aircraft (purchased under the 2019 NEO Purchase Agreement Amendment);
“FPG”	FPG Amentum Limited;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“FY 2017”	the financial year ended 31 March 2017;
“FY 2018”	the financial year ended 31 March 2018;
“FY 2019”	the financial year ended 31 March 2019;
“FY 2020”	the financial year ending 31 March 2020;
“GDP”	gross domestic product;
“General Meeting”	the General Meeting of the Company convened for 11:00 a.m. (CET) on 30 October 2019 as set out in the notice in Part 6: “ <i>Notice of General Meeting</i> ” of this Circular;
“IAE”	International Aero Engines, LLC (including, where the context requires, its subsidiary undertakings);
“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;
“Jersey Companies Law”	the Companies (Jersey) Law 1991 (as amended) and the subordinate legislation thereunder;
“J.P. Morgan Cazenove”	J.P. Morgan Securities plc (which carries on its UK investment banking activities as J.P. Morgan Cazenove);
“list price”	the price of the aircraft manufacturers typically publish for each model of aircraft being a standard price a purchaser would expect to pay;
“Listing Rules”	the listing rules of FCA made in accordance with section 73A of the FSMA;
“load factor”	number of seats sold divided by the number of seats available;
“MAR”	the Market Abuse Regulation (2014/596/EU);
“Non-Executive Directors”	William A. Franke, Peter Agnefjäll, Andrew S. Broderick, Guido Demuynck, Simon Duffy, Barry Eccleston, Susan Hooper, Stephen L. Johnson, and Maria Kyriacou;
“Ordinary Shares”	the ordinary shares in the Company of £0.0001 each;
“PRA”	the Prudential Regulation Authority of the United Kingdom;
“Pratt & Whitney”	Pratt & Whitney, a subsidiary of United Technologies Corporation;
“Profit Forecast”	the profit forecast issued by the Company for the full year financial performance for the year ending 31 March 2020, further information on which is set out in section 8 (<i>Profit Forecast</i>) of Part 4: “ <i>Additional Information</i> ” of this Circular;
“Prospectus Regulation”	Regulation (EU) 2017/1129;
“Prospectus Regulation Rules”	the prospectus regulation rules of the FCA made in accordance with section 73A of the FSMA;
“Proposed Purchase”	the proposed purchase by the Company of the Additional Aircraft in accordance with the terms of the 2019 NEO Purchase Agreement Amendment, as described in Part 3: “ <i>Summary of the Terms and Conditions of the Existing NEO Purchase Agreement and 2019 NEO Purchase Agreement Amendment</i> ” of this Circular;
“RASK”	Passenger revenue divided by ASKs;
“Resolution”	the ordinary resolution to approve the 2019 NEO Purchase Agreement Amendment 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;
“Senior Managers”	Stephen Jones, Diederik Pen, Iain Wetherall, Owain Jones, Johan Eidhagen, George Michalopoulos, András Sebök, Joel Goldberg, Marion Geoffroy and Heiko Holm;

“Shareholder(s)”	the holder(s) of Ordinary Shares;
“SMBC”	SMBC Aviation Capital Limited;
“SMFL”	Sumitomo Mitsui Finance and Leasing Company Limited;
“Takeover Code”	the United Kingdom City Code on Takeover and Mergers (as amended from time to time);
“US\$” or “US Dollar” or “\$”	the lawful currency of the United States of America, from time to time;
“VAT”	value added tax;
“WAHL”	Wizz Air Hungary Limited, Geneva Branch;
“Western Europe”	the EU-15 plus Cyprus, Iceland, Malta, Norway and Switzerland;
“Wizz Air” or “Group”	the Company and its subsidiary undertakings (as defined by section 2 of the Jersey Companies Law) from time to time; and
“Wizz Air Hungary”	Wizz Air Hungary Limited, the holder of an operating licence issued by the Hungarian 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 30 October 2019 at 11:00 a.m. (CET) at the offices of the Company at Le Lumion, Route François-Peyrot 12, Geneva International Airport, 1218 Grand-Saconnex, 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 pursuant to the 2019 NEO Purchase Agreement Amendment, each as defined and described in the Circular to Shareholders dated 4 October 2019, of which this notice forms part, 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 2019 NEO Purchase Agreement Amendment, 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

4 October 2019

Registered number: 103356

Notes:

1. Only holders of the ordinary shares in the Company of £0.0001 each (the “**Shareholders**”) whose name 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 11:00 a.m. (CET) on 28 October 2019 (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. All resolutions 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.

Appointment of proxies

General

4. 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.
5. To be valid, an appointment of proxy, whether by means of an instrument or contained in an electronic form as stated at explanatory notes 7 and 8 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 (not taking into account any day which is not a Business Day (as defined in the Articles)).

A proxy may be appointed in the following ways:

Printed Form of Proxy

6. 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 Registrar, Computershare Investor Services (Jersey) Limited at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by no later than 11:00 a.m. (CET) on 28 October 2019.

Electronic Form of Proxy

7. As an alternative to completing and returning the printed Form of Proxy which accompanies this notice, a Shareholder may register the appointment of a proxy online by registering for the Computershare service at <https://www.eproxyappointment.com/Login>. Full details of the procedures are set out on the website. The Company will not accept an electronic communication that is found to contain a computer virus.

Electronic proxy appointment through CREST

8. 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.
9. 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 & Ireland 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 (not taking into account any day which is not a Business Day (as defined in the Articles)). 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.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland 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.
11. 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

12. 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

13. 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 4 to 11 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

14. As at 3 October 2019 (being the last practicable business day prior to publication of this notice), the Company’s issued ordinary share capital consisted of 72,789,295 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

15. 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, the Company’s corporate headquarters at Le Lumion, Route François-Peyrot 12, Geneva International Airport, 1218 Grand-Saconnex, Switzerland and the offices of Cooley (UK) LLP, 69 Old Broad Street, London, EC2M 1QS, 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

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

Addresses

17. 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.

