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WIZZ AIR HOLDINGS PLC – RESULTS FOR THE SIX MONTHS TO 30 SEPTEMBER 2021

€57 MILLION OPERATING PROFIT IN Q2 F22 AND RETURN TOWARDS 2019 CAPACITY LEVELS. CONTINUING INVESTMENTS IN "WIZZ 500"

LSE: WIZZ

Geneva, 4 November 2021: Wizz Air Holdings Plc ("Wizz Air", "the Company" or "the Group"), the fastest-growing European low-cost airline, today issues unaudited results for the six months to 30 September 2021 ("first half" or "H1").

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 March 2021 and any public announcements made by Wizz Air Holdings Plc during the interim reporting period.

Six months to 30 September	**2021**	2020	Change
Passengers carried (million)	**12.5**	6.5	92.7%
Revenue (€ million)	**880.4**	471.2	86.8%
EBITDA (€ million)	**164.3**	(80.9)	n.m.**
EBITDA margin (%)	**18.7**	(17.2)	n.m.**
Loss for the period (€ million)	**(120.9)**	(243.1)	(50.3%)
Underlying loss for the period (€ million)*	**(125.2)**	(144.9)	(13.6%)
RASK (€ cent)	**3.38**	2.86	18.2%
Ex-fuel CASK (€ cent)	**2.75**	2.91	(5.5%)
Total cash (€ million)***	**1,670.4**	1,559.5	7.1%
Load factor (%)	**75.3**	64.3	11.0ppt
Period-end fleet size	**144**	132	9.0%

* Underlying loss excludes the impact of hedge gains/losses classified as discontinued resulting from the impact of COVID-19.

** n.m.: not meaningful as variance is more than (-)100%.

*** Total cash comprises cash and cash equivalents, short-term cash deposits, and current and non-current restricted cash.

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

"The second quarter of this fiscal year marks Wizz Air's return towards 2019 traffic levels as we continue to transition to operational normality and see more people return to flying despite lingering restrictions. Close to 10 million passengers booked a Wizz Air flight in the quarter with load factors around 80% for the quarter and reaching 84% in August as our capacity peaked at 98% of 2019 ASKs in the same month. Our revenue performance was 79% better than last summer and ex-fuel CASK in Q2 continued to normalize and was only 12% higher compared to pre-pandemic levels. As a result, we delivered an operating profit of €57m for the quarter. We closed the quarter with €1.7bn of total cash, highlighting our ability to manage liquidity well and continue to maintain our investment grade rating."

Commenting on business developments, Mr Váradi added:

"The Company is executing against its ambition to deliver a 500 aircraft airline before the end of the decade.

We have continued to take deliveries during the COVID-19 pandemic, and additionally we will add 26 aircraft to our summer 2022 fleet (versus summer 2021) via a combination of aircraft deliveries and advanced deliveries from our order book and extending short-term leases at highly competitive terms. With the expansion, our fleet is expected to reach 170 aircraft by the end of H1 F23, a 52% ASK increase versus summer 2019. This will allow us to maximally take advantage of market opportunities and next year's peak season.

We continue to further strengthen our network. We have increased from 25 bases pre-COVID to 44 bases today, and added 440+ routes in total significantly stepping up our positions in Italy, Ukraine, Albania, UK and, opening our Wizz Abu Dhabi operation. Most recently, we opened two more bases in Italy – Rome and Naples – and we have announced that we will also open our seventh Italian base in Venice, at Marco Polo Airport. A further major expansion has been announced in Ukraine as it signed the Open Skies agreement with the EU at the beginning of October 2021. This major milestone has enabled Wizz Air to increase its investment by deploying seven new A321neo aircraft to its Kyiv and Lviv bases from next summer. With these new allocations, Wizz Air increases its fleet to 11 aircraft in the country, making it the largest airline providing direct seats from Ukraine.

Lastly, we are investing in our workforce and are projecting to be a team of 6,700 people by the end of Summer 2022, up from around 4,000 people pre-COVID-19. Wizz has proven itself to be an exciting place to work for our many colleagues around the network, a Company that makes things happen for its employees and the communities it works for."

On current trading and the outlook for the full year, Mr Váradi said:

"Our investments in network, fleet and people are laying the foundation for the exceptional opportunity we believe F23 will represent. We will have further widened our competitive edge and will be operating a superior fleet from a cost and sustainability point of view in a more diverse and scalable network.

However, we are still in an investment mode in the current quarter as we bring on additional fleet and crew ahead of a fully utilized operation from Spring 2022 onwards. We are stimulating demand with pricing given the continued impact of COVID-19. Additionally, FX and commodity markets continue to be volatile and are impacting our financial performance.

Based on current market conditions, we anticipate an operating loss in Q3 of around €200 million. The Q3 loss may carry over into the last quarter of the fiscal year depending on the operating conditions in the quarter.

This will round off F22 as a true transition year out of COVID-19 with a network, team and fleet fully prepared for the peak F23 season."

FINANCIAL RESULTS IN H1

- Total revenue increased by 86.8% to €880.4 million:
  - Passenger ticket revenues increased by 105.0% to €413.8 million
  - Ancillary revenues increased by 73.2% to €466.6 million
  - Total unit revenue increased by 18.2% to 3.38 Euro cents per available seat per kilometre (ASK)
  - Ancillary revenue per passenger increased by 3.3% to 37.4 Euro cents versus H1 F21 and was also up 5.04 Euro cents per passenger versus H1 F20
- Total operating expenses (including exceptional items) increased by 30.1% to €932.3 million:
  - Total unit costs decreased by 17.3% year-on-year to 3.74 Euro cents per ASK
  - Ex-fuel unit costs decreased by 5.5% year-on-year to 2.75 Euro cents per ASK
  - Fuel unit costs decreased by 38.8% year-on-year to 0.99 Euro cents per ASK
- FX losses for H1 amounted to €26.8 million, of which €41.7m were linked to Q2 as the USD strengthened significantly in the last two weeks of September versus the EUR, which drove a material (unrealized) FX loss given our long position on USD liabilities on the balance sheet
- Loss for the period was €120.9 million
- Loss for the second quarter was €6.5 million
- Loss for the period excluding exceptional items amounted to €125.2 million
- Total cash (including short-term deposits and restricted cash balances) at the end of September 2021 was €1,670.4 million

NETWORK ADDITIONS AND FLEET DEVELOPMENTS

- <u>Base rationalisation:</u>
  - Oslo, Norway: four aircraft
  - Dortmund, Germany: closed two aircraft base, rationalising the capacity in light of state government support in the market
  - Riga, Latvia: closed two aircraft base, following a long-term presence in the market, and reallocating the capacity

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

  <u>Base expansion:</u>
  - Tirana, Albania: one additional aircraft, taking the base to six aircraft
  - Sarajevo, Bosnia and Herzegovina: one additional aircraft, taking the base to two aircraft
  - Vilnius, Lithuania: one additional aircraft, taking the base to three aircraft
  - Skopje, North Macedonia: one additional aircraft, taking the base to five aircraft
  - Kyiv, Ukraine: five additional aircraft, taking the base to eight aircraft
  - Lviv, Ukraine: two additional aircraft, taking the base to three aircraft

- In the first six months of the fiscal year Wizz Air has taken delivery of 13 new A321neo aircraft, while redelivering 6 A320ceo aircraft, ending the second quarter with a total fleet of 144 aircraft: 62x A320ceo, 41x A321ceo, 6x A320neo, 35x A321neo. All new neo aircraft are powered by Pratt & Whitney GTF engines and feature the widest single-aisle cabin with 239 seats in a single class configuration. The combination of these technologies reduces fuel burn by 16 per cent, nitrogen oxide emissions by 50 per cent and delivers close to a 50 per cent reduction in noise footprint compared to previous generation aircraft.
- Fleet average age stands at 5.2 years, one of the youngest fleets of any major European airline, while the average number of seats per aircraft has climbed to 209 at September 2021.
- Wizz Air further strengthened its summer 2022 plan via advancing A321neo aircraft from its orderbook and extending leases on highly competitive terms. The average number of seats per aircraft will be 216 by end June 2022
- Wizz Air remains investment grade rated with Moody's and Fitch, with Fitch revising Wizz Air's Outlook from negative to stable.

SUSTAINABILITY UPDATE

We continue to be focused on delivering value for all stakeholders and to further our environmental and social agenda. The most material sustainability developments during first seven months of F22 were:

Month	Project	Description
April-2021	Greenairport Partner of the year	Wizz Air has received the Greenairport Partner of the Year Award. Budapest Airport recognized Wizz Air's efforts in making progress towards becoming the greenest airline in Europe. With the modification of our landing and take-off techniques, we were able to reduce our carbon dioxide emissions by an estimated 500 tons a year at Budapest Airport.
July-2021	CDP disclosure	Company submits disclosure for the first time, the outcome will be published by CDP during late November.
July-2021	Engagement Survey	70% of employees participated, reaching a final score of 7.4 versus industry average of 7.5.
July-2021	Sustainalytics disclosure	Sustainalytics rating improved to Medium risk with a 25.5 risk score, ranking Wizz Air the 2nd best in Europe and 8th in the world out of 70 rated airlines.
August-2021	Leadership team incentives	Following the annual general shareholder meeting in July, 5% of the leadership team's award is linked to reduction of carbon emission intensity (to 45.1g/RpK during F26) and another 5% if 40% of the management team are women in the same fiscal year.
September-2021	Governance	The Board of Directors of Wizz Air formalized their commitment to have at least 1/3 of female representation amongst its Board Directors.
October-2021	Emission reduction	The Commitment Letter of Wizz Air to the Science Based Target Initiative was accepted and as such we are aligning to an ambitious decarbonization roadmap.
October-2021	Green aviation	Wizz Air took part in the Air Pilots Green Aviation Showcase – Net Zero 2050 to illustrate the challenge of achieving net zero whilst maintaining the sector's vital contribution to the UKs economic prosperity and social wellbeing.
October-2021	Governance	Additional Sustainability Training ran by the Carbon Trust for the Sustainability and Culture Committee members and for the Leadership team to further build knowledge and skills around sustainability.
October-2021	Waste-to-landfill reduction	Recycling started in Budapest and Vienna base on 15 October in cooperation with local authorities and local partners.

Wizz Air's CO_2 emissions per passenger/km amounted to 68.0 grams per passenger/km for the rolling 12 months to 30 September 2021 and as the industry recovers from COVID-19 we expect emission intensity to drop quickly as load factors normalize again.

ABOUT WIZZ AIR

Wizz Air, the fastest growing European low-cost airline, operates a fleet of 144 Airbus A320 and A321 aircraft. A team of dedicated aviation professionals delivers superior service and very low fares, making Wizz Air the preferred choice of 10.2 million passengers in the financial year F21 ending 31 March 2021. Wizz Air is listed on the London Stock Exchange under the ticker WIZZ. The company was recently named one of the world's top ten safest airlines by airlineratings.com, the world's only safety and product rating agency, and 2020 Airline of the Year by ATW, the most coveted honour an airline or individual can receive, recognizing individuals and organizations that have distinguished themselves through outstanding performance, innovation, and superior service.

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H1 FINANCIAL REVIEW

In the first half of the financial year, Wizz Air carried 12.5 million passengers, a 92.7% increase compared to the same period in the previous year, and generated revenues of €880.4 million, 86.8% higher than last year. These rates compare to capacity increase measured in terms of ASKs of 58.1% and 64.6% more seats. The load factor increased from 64.3% to 75.3%.

The loss for the first half was €120.9 million, compared to a loss of €243.1 million in the same period of F21.

Summary statement of comprehensive income (unaudited)

For the six months ended 30 September

	2021 € million	2020 € million	Change
Passenger ticket revenue	**413.8**	201.8	105.0%
Ancillary revenue	**466.6**	269.4	73.2%
Total revenue	**880.4**	471.2	86.8%
Staff costs	**(97.2)**	(73.4)	32.3%
Fuel costs (including exceptional income/expense)	**(256.9)**	(265.4)	(3.2%)
Distribution and marketing	**(21.2)**	(12.0)	77.2%
Maintenance materials and repairs	**(58.5)**	(64.3)	(8.9%)
Airport, handling and en-route charges	**(254.4)**	(147.1)	72.9%
Depreciation and amortisation	**(216.2)**	(164.7)	31.3%
Net other (expense)/income	**(27.8)**	10.1	n.m.**
Total operating expense	**(932.3)**	(716.8)	30.1%
Operating loss	**(51.9)**	(245.6)	(78.9%)
Comprising:			
Operating loss excluding exceptional income/expense	**(56.2)**	(147.4)	
Exceptional income/(expense)	**4.3**	(98.2)	
Financial income	**1.8**	10.3	
Financial expenses	**(42.7)**	(38.1)	
Net foreign exchange (loss)/gain	**(26.8)**	35.9	
Net financing (expense)/income	**(67.7)**	8.1	n.m.**
Loss before income tax	**(119.6)**	(237.4)	(49.6%)
Income tax expense	**(1.3)**	(5.6)	(77.1%)
Loss for the period	**(120.9)**	(243.1)	(50.3%)
Loss for the period attributable to:			
Non-controlling interest	**(4.6)**	(0.5)	
Owners of Wizz Air Holdings Plc	**(116.3)**	(242.6)	
Underlying loss for the period*	**(125.2)**	(144.9)	(13.6%)
Underlying loss for the period attributable to:			
Non-controlling interest	**(4.6)**	(0.5)	
Owners of Wizz Air Holdings Plc	**(120.6)**	(144.4)	

* Underlying loss excludes exceptional items, being the impact of hedge losses classified as discontinued resulting from the impact of COVID-19.

** n.m.: not meaningful as variance is more than (-)100%.

Revenue

Passenger ticket revenue increased by 105.0% to €413.8 million and ancillary income (or "non-ticket" revenue) increased by 73.2% to €466.6 million. Total revenue per ASK (RASK) increased by 18.2% to 3.38 Euro cents.

Average revenue per passenger was €70.5 during H1 2021, a decrease of 3.1% versus H1 2020. Average ticket revenue per passenger increased from €31.1 in H1 2020 to €33.1 in H1 2021, €2.0 or 6.4% higher than last year, while average ancillary revenue per passenger increased from €36.1 in H1 2020 to €37.4 in H1 2021, an increase of €1.23 or 3.3%. Note that the H1 2020 figure is normalised and therefore excludes cargo revenue. Reported ancillary revenue for H1 2020 amounted to €41.6 per passenger.

The increase in passenger ticket revenue was driven by the improvement in the passenger demand environment which was strongly impacted by the lifting of travel restrictions due to COVID-19, while the increase in ancillary revenue per passenger was driven by our core and flexibility products.

Operating expenses

Operating expenses for the first half increased by 30.1% to €932.3 million from €716.8 million in H1 2020, driven in particular by capacity ramp-up and the resulting higher staff, airport, handling and en-route charges. Maintenance costs and to some degree depreciation benefited from the one-off positive effect of lease extensions. Total cost per ASK (CASK) including impact of hedges decreased by 17.3% to 3.74 Euro cents in H1 2021 from 4.52 Euro cents in H1 2020. CASK excluding fuel expenses decreased by 5.5% to 2.75 Euro cents in H1 2021 compared to 2.91 Euro cents in H1 2020.

Staff costs increased by 32.3% to €97.2 million in H1 2021, up from €73.4 million in H1 2020, reflecting the increase in capacity as well as the accompanying hiring due to the capacity ramp-up.

Fuel expenses (including exceptional items) decreased by 3.2% to €256.9 million in H1 2021, down from €265.4 million in the same period of 2020. The decrease was driven primarily by the lack of ineffective hedges which amounted to an exceptional loss of €98.2 million in H1 2020. The effect of discontinued hedges amounted to an exceptional gain of €4.3 million in H1 2021. The average fuel price (including hedging impact and into-plane premium) paid by Wizz Air in the first half was US$656 per tonne, a decrease of 3.5% from US$679.5 in the same period in 2020.

Distribution and marketing costs increased by 77.2% to €21.2 million from €12.0 million in the first half of 2021, in line with the increase in capacity and marketing activity due to new base openings.

Maintenance, materials and repair costs decreased by 8.9% to €58.5 million in H1 2021 from €64.3 million in H1 2020, driven by the one-off positive effect of 17 lease extensions which amounted to €40.7 million. Due to the extensions, previously not planned maintenance events are expected to be performed and therefore related lease-end compensation accruals were no longer needed and reversed. Without the effect of this one-off item maintenance costs would have been higher on the back of higher utilisation due to the increase in capacity and the timing of certain maintenance events.

Airport, handling and en-route charges increased to €254.4 million in the first half of 2021 versus €147.1 million in the same period of 2020. The increase was primarily due to the increase in traffic.

Depreciation and amortisation charges were 31.3% higher at €216.2 million in the first half, up from €164.7 million in the same period in 2020. The increase is related to depreciation on the growing fleet and the increased flight cycles flown.

Net other expense amounted to €27.8 million in H1 2021, compared to an income of €10.1 million in the same period in 2020. The variance was primarily driven by (i) decrease in engine and aircraft sale and leaseback gains (H1 2021: €16.1 million gain, H1 2020: €27.0 million gain), (ii) decrease in compensation received for delays in aircraft deliveries (H1 2021: €5.1 million income, H1 2020: €9.2 million income), (iii) increase in expenses related to ramping up operations over summer (H1 2021: €26.3 million cost, H1 2020: €7.8 million cost).

Financial income amounted to €1.8 million in the first half compared to €10.3 million in the same period in 2020, driven by lower interest rates on deposits.

Financial expenses amounted to €42.7 million in the first half compared to €38.1 million in the same period in 2020. Financial expenses predominantly arise from interest charges related to lease liabilities under IFRS 16, which increased because of the growing fleet.

Net foreign exchange loss was €26.8 million in the first half compared to €35.9 million of gain in the same period in 2020. The significant net foreign exchange loss realised in the period is mainly caused by the FX translation of the net unhedged US dollar lease liability position.

Taxation

The Group recorded an income tax expense of €1.3 million in the period compared to €5.6 million in the same period in 2020 that is mainly attributable to local business tax and innovation tax paid in Hungary and an increase in deferred tax liabilities.

Second quarter performance

In the three months to 30 September 2021 ("Q2" or "second quarter"), Wizz Air carried 9.5 million passengers, a 63.8% increase compared to the same period in the previous year, and generated revenues of €681.3 million. These rates compare to an increase in capacity measured in terms of ASKs of 29.6%.The load factor increased from 65.6% to 79.9%. The loss for the second quarter was €6.5 million, compared to a loss of €135.1 million in the same period of 2020.

OTHER INFORMATION

1. Cash
Total cash and cash equivalents (including restricted cash and cash deposits with more than 3 months maturity) at the end of the first half increased by 3.3% to €1,670.4 million versus 31 March 2021, of which €1,110.0 million is free cash.

2. Restatement of F21 H1 comparatives
In agreement with the Financial Reporting Council (FRC), the Company decided to present deposits with an original maturity of longer than three months separately from cash and cash equivalents. Please refer to Note 2 in the 2021 Annual Report and Accounts of the Group for more details on the accounting policy.

Presentation principles in the condensed consolidated interim statement of cash flows for the half year ended 30 September 2021 are consistent with those of the previous financial year. The condensed consolidated interim statement of financial position as at 30 September 2020 and the condensed consolidated interim statement of cash flows for the half year ended 30 September 2020 together with certain disclosure notes were restated in order for the corresponding amounts to be presented appropriately as explained in Notes 6, 9 and 13.

3. Hedging positions
Wizz Air operates under a clear set of treasury policies approved by the Board and supervised by the Audit and Risk Committee. On 2 June 2021, the Board of Directors approved the Company's 'no hedge' policy with respect to US dollar and jet fuel price risk after evaluating the economic costs and benefits of the hedging programme. Open derivative positions are all related to hedges entered prior to the decision made in June 2021.

Details of the current hedging positions (as at 1 November 2021) are set out below:

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

Period covered	**FY22** **5 months**
Exposure (million)	**$380**
Hedge coverage (million)	**$27**
Hedge coverage for the period	**7%**
Weighted average ceiling	**$1.1518**
Weighted average floor	**$1.2006**

Sensitivities
- Pre-hedging, a one cent movement in the euro/US dollar exchange rate impacts the 2022 financial year operating expenses by €2 million.

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

- a "**Qualifying National**" includes: (i) EEA nationals, (ii) nationals of Switzerland and (iii) in respect of any undertaking, an undertaking which satisfies the conditions as to nationality of ownership and control of undertakings granted an operating licence contained in Article 4(f) of Regulation (EC) No. 1008/2008 of the European Commission, as such conditions may be amended, varied, supplemented or replaced from time to time, or as provided for in any agreement between the EU and any third country (whether or not such undertaking is itself granted an operating licence); and
- a "**Non-Qualifying National**" includes any person who is not a Qualifying National in accordance with the definition above.

KEY STATISTICS

For the six months ended 30 September

	2021	2020	Change
Capacity			
Number of aircraft at end of period	**144**	132	9.0%
Equivalent aircraft	**140.6**	124.4	12.9%
Utilisation (block hours per aircraft per day)	**7.37**	5.45	35.0%
Total block hours	**189,572**	124,365	52.4%
Total flight hours	**165,550**	110,169	50.3%
Revenue departures	**80,488**	50,952	58.0%
Average departures per day per aircraft	**3.13**	2.24	39.9%
Seat capacity	**16,587,843**	10,075,374	64.6%
Average aircraft stage length (km)	**1,569**	1,634	(4.0%)
Total ASKs ('000 km)	**26,026,915**	16,461,134	58.1%
Operating data			
RPKs ('000 km)	**19,593,818**	10,726,943	82.7%
Load factor	**75.3%**	64.3%	11ppt
Number of passenger segments	**12,491,139**	6,481,053	92.7%
Fuel price (average US$ per ton, including hedging impact and into-plane premium)	**656.0**	679.5	(3.5%)
Foreign exchange rate (average US$/€, including hedging impact)	**1.19**	1.15	3.5%

CASK

For the six months ended 30 September

	2021 Euro cents	*2020 Euro cents*	Change *Euro cents*
Fuel costs	**0.99**	1.61	(0.63)
Staff costs	**0.37**	0.45	(0.08)
Distribution and marketing	**0.08**	0.07	0.01
Maintenance, materials and repairs	**0.22**	0.39	(0.17)
Airport, handling and en-route charges	**0.98**	0.89	0.09
Depreciation and amortisation	**0.83**	1.00	(0.17)
Net other (expense)/income	**0.11**	(0.06)	0.17
Net of financial income and expenses	**0.16**	0.17	(0.01)
Total CASK	**3.74**	4.52	(0.78)
CASK excluding exceptional operating expense	**3.76**	3.93	(0.17)
Total ex-fuel CASK	**2.75**	2.91	(0.16)

Available seat kilometres (ASK): available seat kilometres, the number of seats available for scheduled passengers multiplied by the number of kilometres those seats were flown.

CASK: cost per ASK, where cost is defined as operating expenses and financial expenses net of financial income, excluding exceptional items.

Ex-fuel CASK: cost per ASK, where cost is defined as operating expenses and financial expenses net of fuel expenses and financial income. excluding exceptional items.

Revenue passenger kilometres (RPK): revenue passenger kilometres, the number of seat kilometres flown by passengers who paid for their tickets.

For the definition of certain other technical terms used in this document, including some non-GAAP financial measures, please refer to our annual report for the financial year ended 31 March 2021, particularly on pages 49-50.

Definition and reconciliation of other non-statutory financial performance measures

'Earnings before interest, tax, depreciation and amortisation' (EBITDA) is profit (or loss) before net financing costs (or gain), income tax expense (or credit), depreciation and amortization.

EBITDA (excluding exceptional items) is profit (or loss) before net financing costs (or gain), income tax expense (or credit), depreciation and amortization and exceptional items.

€ million	2021	2020
Operating loss (excluding exceptional items)	**(56.2)**	(147.4)
Depreciation and amortisation	**216.2**	164.7
EBITDA (excluding exceptional expense)	**160.0**	17.3

The Company has a policy of rounding each amount and percentage individually from the fully accurate number to the figure disclosed in the information presented. As a result, some amounts and percentages do not total – though such differences are all small.

FORWARD-LOOKING STATEMENTS

The information in this announcement includes forward-looking statements which are based on the Company's or, as appropriate, the Company's Directors' current expectations and projections about future events. These forward-looking statements may be identified by the use of forward-looking terminology including, but not limited to, the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussion of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and investments, including, among other things, the development of its business, trends in its operating industry and future capital expenditures. In light of these risks, uncertainties and assumptions, the events or circumstances referred to in the forward-looking statements may differ materially from those indicated in these statements. Forward-looking statements may, and often do, materially differ from actual results.

None of the future projections, expectations, estimates or prospects or any other statements contained in this announcement should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the announcement. Forward-looking statements speak only as of the date of this announcement. Subject to obligations under the listing rules and disclosure and transparency rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 (as amended from time to time), neither the Company nor any of its affiliates, or individuals acting on its behalf, undertakes to publicly update or revise any such forward-looking statement, or any other statements contained in this announcement, whether as a result of new information, future events or otherwise.

As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise. The information and opinions contained in this announcement are provided as at the date of this announcement and are subject to change without notice.

EMERGING AND PRINCIPAL RISKS AND UNCERTAINTIES

The aviation industry is subject to many risks and Wizz Air’s business is no exception. A number of risks, as described in our annual report for the financial year ended 31 March 2021, have the potential to adversely affect Wizz Air’s expected results for the remainder of the current financial year. These risks include competitive moves, economic and political events such as safety events, Black Swan events including pandemics like COVID-19, foreign exchange rates and the price fluctuations of jet kerosene.

The full list of risks considered is set out below:

- information technology and cyber risk, including website availability, protection of our own and our customers’ data, ensuring the availability of operations-critical systems in an increasingly complex system landscape;
- external factors, such as the default of a partner financial institution, fuel cost, foreign exchange rates, competition, general economic trends and geopolitical risk;
- network development, making sure that we are making the best use of our capacity, driving maximum utilisation and ensuring that we have access to the right airport infrastructure at the right price so that we can keep on delivering the superior Wizz Air service at low fares across an expanding network;
- fleet development, ensuring that the Group has the right number of aircraft available at the right time to take advantage of commercial opportunities and grow in a disciplined way;
- regulatory risk, making sure that we remain compliant with regulations affecting our business and operations and that we remain agile to react to the changing travel restrictions and governmental actions taken due to COVID-19;
- operations, including safety events and terrorist incidents;
- global pandemic, which has been the reality not just only a risk during 2020-2021 and beyond and may continue to impact the Group and its interests in the near future;
- human resources, ensuring we are able to recruit the right quality and the right number of colleagues to support our ambition to grow and, once recruited, that they remain engaged and motivated and that the Group has appropriate succession management in place for key colleagues, even in the context of a global pandemic;
- climate risk, ensuring that we are able to answer the growing need of environmental protection and consciousness and create a sustainable, climate-friendly service for our customers at all times respecting the planet; and
- social and governance risks, making sure we are at all times guided through our core values, our value of integrity, all stakeholders are respected throughout our business processes and deals and provided transparency through responsible reporting and disclosure.

The Directors consider that the principal risks to the Company's business during the second half of the financial year remain those summarised above and set out on pages 51 to 56 of our annual report for the financial year ended 31 March 2021, available at corporate.wizzair.com.

This announcement includes inside information.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed consolidated interim statement of comprehensive income

For the six months ended 30 September 2021 (unaudited)

	Note	**Six months ended 30 Sep 2021 € million**	Six months ended 30 Sep 2020 € million
Passenger ticket revenue	7,8	**413.8**	201.8
Ancillary revenue	7,8	**466.6**	269.4
Total revenue	7,8	**880.4**	471.2
Staff costs		**(97.2)**	(73.4)
Fuel costs (including exceptional income/expense)		**(256.9)**	(265.4)
Distribution and marketing		**(21.2)**	(12.0)
Maintenance materials and repairs		**(58.5)**	(64.3)
Airport, handling and en-route charges		**(254.4)**	(147.1)
Depreciation and amortisation		**(216.2)**	(164.7)
Net other (expense)/income		**(27.8)**	10.1
Total operating expense		**(932.3)**	(716.8)
Operating loss	9	**(51.9)**	(245.6)
Comprising:			
Operating loss excluding exceptional income/expense		**(56.2)**	(147.4)
Exceptional income/(expense) (included in fuel costs)	11	**4.3**	(98.2)
Financial income	10	**1.8**	10.3
Financial expenses	10	**(42.7)**	(38.1)
Net foreign exchange (loss)/gain	10	**(26.8)**	35.9
Net financing (expense)/income	10	**(67.7)**	8.1
Loss before income tax		**(119.6)**	(237.4)
Income tax expense	12	**(1.3)**	(5.6)
Loss for the period		**(120.9)**	(243.1)
Loss for the period attributable to:			
Non-controlling interest		**(4.6)**	(0.5)
Owners of Wizz Air Holdings Plc		**(116.3)**	(242.6)
Other comprehensive (expense)/income – items that may be subsequently reclassified to profit or loss			
Net movements in cash flow hedging reserve, net of tax			
Net change in fair value		**14.2**	1.5
Recycled to profit or loss		**(12.0)**	150.9
Currency translation differences		**(0.7)**	0.3
Other comprehensive income for the period, net of tax		**1.5**	152.7
Total comprehensive loss for the period		**(119.4)**	(90.4)
Total comprehensive loss attributable to:			
Non-controlling interest		**(4.8)**	(0.5)
Owners of Wizz Air Holdings Plc		**(114.6)**	(89.9)
Basic and diluted loss per share (Euro/share)*	13	**(1.28)**	(2.84)

* See Note 13 for restatement of comparatives.

Condensed consolidated interim statement of financial position

As at 30 September 2021

	Note	**30 Sep 2021 (unaudited) € million**	31 Mar 2021 (audited) € million
ASSETS			
Non-current assets			
Property, plant and equipment	14	**3,190.0**	2,878.2
Intangible assets		**31.7**	30.4
Restricted cash		**77.3**	134.1
Deferred tax assets		**1.1**	1.1
Trade and other receivables	15	**18.8**	21.6
Total non-current assets		**3,318.8**	3,065.4
Current assets			
Inventories		**47.2**	53.7
Trade and other receivables	15	**148.7**	113.7
Current tax assets		**6.6**	2.1
Derivative financial instruments		**0.3**	5.1
Restricted cash		**81.4**	35.0
Short term cash deposits		**401.7**	346.8
Cash and cash equivalents		**1,110.0**	1,100.7
Total current assets		**1,795.8**	1,657.2
Total assets		**5,114.6**	4,722.6
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		**—**	—
Share premium		**381.2**	381.2
Reorganisation reserve		**(193.0)**	(193.0)
Equity part of convertible debt		**8.3**	8.3
Cash flow hedging reserve		**—**	(2.2)
Cumulative translation adjustments		**0.6**	1.2
Retained earnings		**598.4**	712.3
Capital and reserves attributable to the owners of Wizz Air Holdings Plc		**795.5**	907.7
Non-controlling interest		**(8.8)**	(4.0)
Total equity		**786.7**	903.7
Non-current liabilities			
Borrowings	18	**2,654.4**	2,388.7
Convertible debt		**25.9**	26.2
Deferred income	19	**61.7**	43.5
Deferred tax liabilities		**4.4**	6.3
Provisions for other liabilities and charges	17	**55.6**	51.1
Total non-current liabilities		**2,802.1**	2,515.8
Current liabilities			
Trade and other payables	16	**599.5**	465.7
Current tax liabilities		**3.6**	0.2
Borrowings	18	**720.8**	722.1
Convertible debt		**0.5**	0.3
Derivative financial instruments		**0.3**	9.0
Deferred income	19	**151.8**	68.0
Provisions for other liabilities and charges	17	**49.4**	37.8
Total current liabilities		**1,525.9**	1,303.1
Total liabilities		**4,328.0**	3,818.9
Total equity and liabilities		**5,114.6**	4,722.6

Condensed consolidated interim statement of changes in equity

For the six months ended 30 September 2020 (unaudited)

	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Cumulative translation adjustments € million	Retained earnings € million	Total € million	Non-controlling interest € million	Total equity € million
Balance at 1 April 2020	**—**	**380.6**	**(193.0)**	**8.3**	**(241.7)**	**0.2**	**1,280.3**	**1,234.8**	**—**	**1,234.8**
Comprehensive income/(expense)										
Loss for the period	—	—	—	—	—	—	(242.6)	(242.6)	(0.5)	(243.1)
Fair value gains in the year	—	—	—	—	1.5	—	—	1.5	—	1.5
Losses transferred to income statement	—	—	—	—	56.4	—	—	56.4	—	56.4
Hedge discontinuation losses transferred to income statement	—	—	—	—	94.5	—	—	94.5	—	94.5
Currency translation differences	—	—	—	—	—	0.3	—	0.3	—	0.3
Total other comprehensive income	**—**	**—**	**—**	**—**	**152.4**	**0.3**	**—**	**152.7**	**—**	**152.7**
Total comprehensive income/(expense)	**—**	**—**	**—**	**—**	**152.4**	**0.3**	**(242.6)**	**(89.9)**	**(0.5)**	**(90.4)**
Transactions with owners										
Proceeds from shares issued	—	0.5	—	—	—	—	—	0.5	—	0.5
Share-based payment charge	—	—	—	—	—	—	1.8	1.8	—	1.8
Total transactions with owners	**—**	**0.5**	**—**	**—**	**—**	**—**	**1.8**	**2.3**	**—**	**2.3**
Balance at 30 September 2020	**—**	**381.1**	**(193.0)**	**8.3**	**(89.3)**	**0.5**	**1,039.5**	**1,147.1**	**(0.5)**	**1,146.6**

Condensed consolidated interim statement of changes in equity

For the six months ended 30 September 2021 (unaudited)

	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Cumulative translation adjustments € million	Retained earnings € million	Total € million	Non-controlling interest € million	Total equity € million
Balance at 1 April 2021	**—**	**381.2**	**(193.0)**	**8.3**	**(2.2)**	**1.1**	**712.3**	**907.7**	**(4.0)**	**903.7**
Comprehensive income										
Loss for the period	—	—	—	—	—	—	(116.3)	(116.3)	(4.6)	(120.9)
Fair value gains in the year	—	—	—	—	14.2	—	—	14.2	—	14.2
Gains transferred to income statement	—	—	—	—	(11.4)	—	—	(11.4)	—	(11.4)
Hedge discontinuation gains transferred to income statement	—	—	—	—	(0.6)	—	—	(0.6)	—	(0.6)
Currency translation differences	—	—	—	—	—	(0.5)	—	(0.5)	(0.2)	(0.7)
Total other comprehensive income/(expense)	—	—	—	—	**2.2**	**(0.5)**	**—**	**1.7**	**(0.2)**	**1.5**
Total comprehensive income/(expense)	—	—	—	—	**2.2**	**(0.5)**	**(116.3)**	**(114.6)**	**(4.8)**	**(119.4)**
Transactions with owners										
Share-based payment charge	—	—	—	—	—	**—**	2.4	2.4	—	2.4
Total transactions with owners	—	—	—	—	—	**—**	2.4	2.4	—	2.4
Balance at 30 September 2021	**—**	**381.2**	**(193.0)**	**8.3**	—	**0.6**	**598.4**	**795.5**	**(8.8)**	**786.7**

Condensed consolidated interim statement of cash flows

For the six months ended 30 September 2021 (unaudited)

	Six months ended 30 Sep 2021 € million	Six months ended 30 Sep 2020 (restated*) € million
Cash flows from operating activities		
Loss before income tax	**(119.6)**	(237.4)
Adjustments for:		
Depreciation	**211.5**	160.4
Amortisation	**4.7**	4.4
Financial income	**(1.8)**	(10.3)
Financial expenses	**42.7**	38.1
Unrealised fair value gains on derivative financial instruments	**(4.2)**	(8.0)
Unrealised foreign currency (losses)/gains	**16.5**	(57.1)
Realised non-operating foreign currency losses	**9.7**	23.4
Gain on sale of property, plant and equipment	**(16.1)**	(27.0)
Share-based payment charges	**2.3**	1.8
	145.7	(111.9)
Changes in working capital		
(Increase)/decrease in trade and other receivables	**(32.6)**	26.2
Decrease/(increase) in restricted cash	**12.3**	(0.6)
Decrease in inventory	**6.5**	20.6
Increase/(decrease) in provisions	**5.7**	(2.3)
Increase in trade and other payables	**122.5**	47.5
Increase/(decrease) in deferred income	**150.7**	(50.8)
Cash generated by/(used) in operating activities before tax	**410.8**	(71.3)
Income tax paid	**(4.2)**	(5.3)
Net cash generated by/(used) in operating activities	**406.6**	(76.6)
Cash flows from investing activities		
Purchase of aircraft maintenance assets	**(16.1)**	(29.2)
Purchases of tangible and intangible assets	**(13.3)**	(96.1)
Proceeds from sale of tangible assets	**—**	46.2
Advances paid for aircraft	**(227.5)**	(25.0)
Refund of advances paid for aircraft	**147.4**	76.5
Interest received	**1.6**	8.0
Increase in short term cash deposits	**(53.2)**	(224.9)
Net cash used in investing activities	**(161.1)**	(244.5)
Cash flows from financing activities		
Proceeds from the issue of share capital	**—**	0.5
Interest paid - IFRS 16 lease liability	**(34.4)**	(34.3)
Interest paid – JOLCO	**(1.0)**	(1.2)
Interest paid – other	**(1.0)**	(2.1)
Realised foreign currency gains from fair value hedges	**—**	11.4
Proceeds from new loan**	**—**	90.3
Proceeds from unsecured debt	**—**	340.7
Repayment of loans**	**(205.5)**	(163.2)
Net cash (used) in/generated by financing activities	**(242.0)**	242.2
Net increase/(decrease) in cash and cash equivalents	**3.5**	(79.0)
Cash and cash equivalents at the beginning of the period	**1,100.7**	878.0
Effect of exchange rate fluctuations on cash and cash equivalents	**5.8**	(53.9)
Cash and cash equivalents at the end of the period	**1,110.0**	745.2

* The prior year was restated refer to Note 6 for more detail.

** Mostly JOLCO and IFRS16 leases.

Notes to the condensed consolidated interim financial statements (unaudited)

1. General information

Wizz Air Holdings Plc (the "Company") is a limited liability company incorporated in Jersey, registered under the address 44 Esplanade, St Helier JE4 9WG, Jersey. The Company is managed from Switzerland, under the address Route François-Peyrot 12, 1218 Le Grand-Saconnex, Geneve. The Company and its subsidiaries (together referred to as "the Group" or "Wizz Air") provide low-cost, low-fare passenger air transportation services on scheduled short-haul and medium-haul point-to-point routes across Europe and the Middle East. The Company's ordinary shares are listed in the premium segment of the Official List of the Financial Conduct Authority and admitted to the Main Market of the London Stock Exchange.

2. Basis of preparation

These unaudited condensed consolidated interim financial statements present the financial track record of the Group for the six-month period ended 30 September 2021. These condensed consolidated interim financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, IAS 34 'Interim Financial Reporting' as adopted by the European Union and with those parts of the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS. The unaudited condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2021, which have been prepared in accordance with IFRSs and IFRICs as adopted by the European Union and with those parts of the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS.

The comparative figures included for the year ended 31 March 2021 do not constitute statutory financial statements of the Group based on Article 105 (11) of the Companies (Jersey) Law 1991. The consolidated financial statements of the Group for the year ended 31 March 2021, together with the Independent Auditors' Report, have been filed with the Jersey Financial Services Commission and are also available on the Company's website (wizzair.com). The Independent Auditors' Report on those financial statements was unqualified.

The Company has a policy of rounding each amount and percentage individually from the fully accurate number to the figure disclosed in the condensed consolidated interim financial statements. As a result, some amounts and percentages do not total – though such differences are all small.

Going concern

At 30 September 2021, the Group held cash and cash equivalents of €1,110.0 million (total cash of €1,670.4 million including €401.7 million of short term cash deposits and €158.7 million of restricted cash), while net current assets were €269.9 million. The external borrowings of the Group consist of €347.9 million (£300 million) of Commercial Paper with the Bank of England maturing in February 2022, €500 million bond maturing in January 2024 and a convertible debt with a balance of €26.4 million. A further €2,511.5 million are presented as borrowings in relation to future commitments from lease contracts.

Wizz Air's business activities, financial performance and financial position, together with external factors and principal risks likely to affect its future development and performance as described in our 2021 Annual Report and Accounts, including the plans to finance a growing number of future aircraft deliveries where sale and leaseback financing is typically secured shortly before the scheduled delivery date of the aircraft and our judgement that there will continue to be demand in the leasing market to finance our aircraft prior to their delivery dates have been reviewed by the Directors and are considered to be unchanged. After making enquiries and testing the assumptions against different forecast scenarios, the Directors have satisfied themselves that the Group is expected to be able to meet its commitments and obligations as they fall due for a period of at least the next twelve months from the date of signing this report.

These enquiries and testing included a base case model of how the operations of the business would develop in the current operating context affected by COVID-19 and commodity markets especially. The base case assumes that the Group continues to operate flights throughout the assessment period, however at reduced utilisation of the fleet until spring 2022 and revenue per seat below 2019 levels.

In addition, the Directors have also reviewed a severe but plausible downside scenario where revenue per seat would be materially below 2019 levels until December 2022 and the Group has also applied commodity price sensitivities. In both scenarios, the Group is still forecasting significant liquidity throughout the going concern period given the strength of its balance sheet and the cash-efficiency of its low-cost operation.

The Directors concluded that, due to a combination of a strong balance sheet going into the pandemic and the lean cost structure of the Company, the business would have sufficient liquidity for the next twelve months.

Accordingly, the Directors concluded it was correct to retain the going concern basis in preparing the condensed consolidated interim financial statements.

3. Accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policies, methods of computation and presentation applied in the Group's most recently published consolidated financial statements for the year ended 31 March 2021, except for the changes explained below.

The preparation of condensed consolidated interim financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2021, with the exception of changes in estimates that are required in determining the provision for income taxes. Taxes on income in the interim periods are accrued using the effective rate that would be applicable to expected total annual profit or loss.

In preparing the condensed consolidated interim financial statements, the Directors have considered the impact of climate change, particularly in the context of the disclosures included in the Strategic Report in the 2021 Annual Report and Accounts, the stated emission targets and update provided on pages 2-3 of this Interim Report. These considerations did not have a material impact on the Group's going concern assessment to December 2022, nor on the financial reporting judgements and estimates used in the preparation of these interim financial statements.

In part of the extended lease agreements, the Group has introduced a new power by the hour lease payment scheme. The minimum payable amount in such agreements is included in the measurement of lease liabilities. The maximum amount in such agreements is not considered in-substance unavoidable and as such in-substance fixed lease payment based on management best estimates, and therefore treated as variable lease payments that are not included in the measurement of the lease liabilities.

New standards, amendments and interpretations adopted by the Group

The following amendments and interpretations apply for the first time in the six months to 30 September, 2021, but do not have a material impact, or any impact, on the condensed consolidated interim financial statements of the Group:

- Amendments to IFRS 4 Insurance Contracts – Deferral of IFRS 9.
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2. Refer to Note 4 for details.
- Amendment to IFRS 16 Leases – COVID-19 Related Rent Concessions Beyond 30 June 2021. The Group decided not to apply the practical expedient described in the amendments.

New standards, amendments and interpretations issued but not yet effective

The following new accounting standards and interpretations have been published that are not yet effective and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions.

- Annual Improvements 2018-2020.
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract.
- IAS 16 Property, Plant and Equipment: Proceeds before Intended Use.
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework.
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates.
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current.
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies.
- IFRS 17 Insurance Contracts.

4. Financial risk management

The changes in the risk management policies of the Group since the year end are explained below.

Wizz Air operates under a clear set of treasury policies approved by the Board and supervised by the Audit and Risk Committee. On 2 June 2021 the Board of Directors approved the Company's 'no hedge' policy with respect to US dollar and jet fuel price risk after evaluating the economic costs and benefits of the hedging programme.

Due to the current volatile environment, managing the cash balance of the Company is a key priority.

Interest rate benchmarks

Interest rate benchmarks (IBORs) are being reformed, and many LIBOR and other benchmark interest rates are anticipated to no longer be published or supported past the end of 2021. The Group has exposures to IBORs on its financial instruments in connection with restricted cash balances, floating rate bank deposits and floating rate leases. The IBOR reform is not expected to have a material impact on the Group's financial statements.

Fair value estimation

The Group measures its derivative financial instruments at fair value, as calculated by the banks involved in the hedging transactions. These instruments fall into the Level 2 category. The banks are using generally accepted valuation techniques, principally the Black-Scholes model and discounted cash flow models. All the other financial assets and financial liabilities of the Group are measured at amortised cost.

The following table presents the Group's financial assets and liabilities that are measured at fair value at 30 September 2021.

	Level 1 € million	Level 2 € million	Level 3 € million	Total € million
Assets				
Derivative financial instruments	—	0.3	—	0.3
	—	0.3	—	0.3
Liabilities				
Derivative financial instruments	—	0.3	—	0.3
	—	0.3	—	0.3

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 March 2021.

	Level 1 € million	Level 2 € million	Level 3 € million	Total € million
Assets				
Derivative financial instruments	—	5.1	—	5.1
	—	5.1	—	5.1
Liabilities				
Derivative financial instruments	—	9.0	—	9.0
	—	9.0	—	9.0

5. Critical estimates and judgments made in applying the Group's accounting policies

For critical estimates and judgments refer to Note 4 in the 2021 Annual Report and Accounts of the Group. No significant changes to such estimates and judgements occurred for the six months ended 30 September 2021, except for listed below.

The Group announced on 6 August 2021, that it signed a new long-term service agreement with József Váradi, the Group's founding Chief Executive Officer. The contract term is for five years and the terms of his service agreement are materially the same as his previous agreement with the exception of a new long-term incentive arrangement, the Value Creation Plan (VCP), which targets a 20% CAGR in the Group's share price over the next five years. The VCP, together with a revised LTIP and new Senior Leadership Growth Plan (SLGP) were approved by shareholders at the Group's recent AGM. The fair value of the awards has been calculated using a Monte Carlo simulation model, with adjustment to the volatility assumption used for the impact of COVID-19 on the Wizz Air share price. In accordance with IFRS 2, the resulting cost is charged to staff costs in the statement of comprehensive income and a corresponding increase in equity over the vesting period of the awards. The charge for the six months ended 30 September 2021 was not material. The total amount is determined by reference to the fair value of the awards granted including any market performance conditions, which are those that are based on the Wizz Air share price, and the individual remaining an employee over a specified time period. The Group plans to settle the awards on vesting in equity.

6. Prior period adjustments/ restatements

Short term cash deposits

In agreement with the Financial Reporting Council (FRC), the Company decided to present deposits with an original maturity of longer than three months separately from cash and cash equivalents. Please refer to Note 2 in the 2021 Annual Report and Accounts of the Group for more details on the accounting policy.

Presentation of financial income, foreign currency gains and losses in the condensed consolidated interim statement of cash flows

The Company decided to change presentation of financial income, financial expenses and foreign currency gains and losses in the consolidated statement of cash flows to better align the financial expenses and financial income in the statement of cash flows to the statement of comprehensive income for the year ended 31 March 2021. Please refer to Note 36 in the 2021 Annual Report and Accounts of the Group for more details.

Presentation principles in the condensed consolidated interim statement of cash flows for the six months ended 30 September 2021 are consistent with those of the previous financial year. The condensed consolidated interim statement of financial position as at 30 September 2020 and the condensed consolidated interim statement of cash flows for the half year ended 30 September 2020 were restated in order for the corresponding amounts to be presented appropriately.

The condensed consolidated interim statement of financial position for the six months ended 30 September 2020 has been restated as follows (no other line items were adjusted):

	30 Sep 2020 As previously stated € million	Impact of deposit reclassification € million	30 Sep 2020 As restated € million
ASSETS			
Current assets			
Short term cash deposits	—	639.4	639.4
Cash and cash equivalents	1,384.6	(639.4)	745.2

The condensed consolidated interim statement of cash flows for the six months ended 30 September 2020 has been restated as follows:

	Six months ended 30 Sep 2020 As previously stated € million	Impact of separating FX gains and losses € million	Impact of deposit reclassification € million	Impact of separating proceeds from new loans € million	Six months ended 30 Sep 2020 As restated € million
Cash flows from operating activities					
Loss before income tax	(237.4)	—	—	—	(237.4)
Adjustments for:					
Financial income	(46.2)	35.9	—	—	(10.3)
Financial expenses	20.6	17.5	—	—	38.1
Unrealized foreign currency gains and losses	—	(57.1)	—	—	(57.1)
Realised non-operating foreign currency gains and losses	—	23.4	—	—	23.4
Changes in working capital					
Decrease/(increase) in trade and other receivables	27.1	(0.9)	—	—	26.2
Decrease/(increase) in restricted cash	12.1	(12.7)	—	—	(0.6)
Increase in trade and other payables	46.1	1.4	—	—	47.5
Cash (used) in/generated by operating activities before tax	(78.7)	7.4	—	—	(71.3)
Refund of advances paid for aircraft	81.0	(4.5)	—	—	76.5
Increase in short term cash deposits	—	(18.0)	(206.9)	—	(224.9)
Net cash used in in investing activities	(15.1)	(22.5)	(206.9)	—	(244.5)
Realised foreign currency gains from fair value hedges	—	11.4	—	—	11.4
Proceeds from new loan	411.0	7.1	—	(327.8)	90.3
Proceeds from unsecured debt	—	12.9	—	327.8	340.7
Net cash generated from financing activities	210.8	31.4	—	—	242.4
Net increase in cash and cash equivalents	111.7	16.4	(206.9)	—	(79.0)
Cash and cash equivalents at the beginning of the year	1,310.5	—	(432.5)	—	878.0
Effect of exchange rate fluctuations on cash and cash equivalents	(37.5)	(16.4)	—	—	(53.9)
Cash and cash equivalents at the end of the period	1,384.6	—	(639.4)	—	745.2

7. Segment information

Reportable segment information

During 2020 and 2021 the Group had only one reportable segment being its entire route network, resulting in a net loss of €120.9 million, and underlying net loss of €125.2 million in the first half of 2022 financial year. All segment revenue of €880.4 million was derived wholly from external customers and, as the Group had a single reportable segment, inter-segment revenue was zero.

Entity-wide disclosures

Products and services

Revenue from external customers can be analysed by groups of similar services as follows:

	Six months ended 30 Sep 2021 € million	Six months ended 30 Sep 2020 € million
Passenger ticket revenue	**413.8**	201.8
Ancillary revenues	**466.6**	269.4
Total segment revenue	**880.4**	471.2

These categories are non-IFRS categories meaning that they are not necessarily distinct from the nature, timing and risk point of view; however, management believes that these categories provide clarity over the revenue profile of the Group to the readers of the financial statements and are in line with airline industry practice. The categories as per the definition of IFRS 15 are disclosed in Note 8.

Ancillary revenue arises mainly from baggage charges, booking/payment handling fees, airport check-in fees, fees for various convenience services (e.g. priority boarding, extended legroom and reserved seating), loyalty programme membership fees, commission on the sale of on-board catering, accommodation, car rental, travel insurance, bus transfers, premium calls, co-branded cards and repatriation and cargo flights.

Geographic areas
Revenue from external customers can be analysed by geographic areas as follows:

	Six months ended 30 Sep 2021 € million	Six months ended 30 Sep 2020 € million
EU	**645.7**	350.3
UK	**73.1**	80.4
Other (non-EU)*	**161.6**	40.4
Total revenue from external customers	**880.4**	471.2

* This comprises a number of non-EU geographic areas that are all individually less than 10% of total revenue.

Revenue was allocated to geographic areas based on the location of the first departure airport on each ticket booking.

The Company's revenue from external customers within the EU is mainly generated by Italy of €128.2 million (2020: €18.5 million), Romania of €122.2 million (2020: €58.1 million) and Poland of €66.5 million (2020: €47.1 million).

The physical location of non-current assets is not tracked by the Group and is therefore not disclosed by geographic area. This is because: (i) by value most assets are associated either with aircraft not yet received (pre-delivery payments) or with existing leased aircraft and spare engines (RoU and maintenance assets), the location of which changes regularly following aircraft capacity allocation decisions; and (ii) the value of the remaining asset categories (land and buildings, fixtures and fittings) is not material within the total non-current assets.

The distribution of the non-current assets between the four key operating entities of the Group is as follows:

	30 Sep 2021 € million	31 Mar 2021 € million
Hungarian airline	**2,842.5**	2,595.6
UK airline	**324.6**	311.2
Abu Dhabi airline	**12.0**	12.4
Wizz Air Leasing Ltd.	**137.9**	144.3
Other	**1.9**	1.9
Total non-current assets	**3,318.8**	**3,065.4**

8. Revenue

The split of total revenue presented in the condensed consolidated interim statement of comprehensive income, being passenger ticket revenue and ancillary revenue, is a non-IFRS measure (or alternative performance measure). The Group did not change the disaggregation of revenue to that defined under IFRS 15. The existing presentation is considered relevant for the users of the financial statements because: (i) it mirrors disclosures presented outside of the financial statements; and (ii) it is regularly reviewed by the Chief Operating Decision Maker for evaluating the financial performance of its single operating segment.

Revenue from contracts with customers can be disaggregated as follows based on IFRS 15:

	Six months ended 30 Sep 2021 € million	Six months ended 30 Sep 2020 € million
Revenue from contracts with passengers	**861.7**	441.3
Revenue from contracts with other partners	**18.7**	29.9
Total revenue from contracts with customers	**880.4**	471.2

These two categories represent revenues that are distinct from a nature, timing and risks point of view. Revenue from contracts with other partners relates to commissions on the sale of on-board catering, accommodation, car rental, travel insurance, bus transfers, premium calls and co-branded cards, where the Group acts as an agent.

The contract assets reported on 30 September 2021 as part of trade and other receivables amounted to €0.8 million (31 March 2021: €0.4 million) and the contract liabilities (unearned revenues) reported as part of deferred income were €146.7 million as at 30 September 2021 (31 March 2021: €65.0 million). Out of the €861.7 million revenue recognised for the six months ended 30 September 2021 (2020: €441.3 million), €65.0 million (2020: €168.4 million) was included in the contract liability balance at the beginning of the year.

9. Operating loss

Leases recognised in the statement of comprehensive income

The condensed consolidated interim statement of comprehensive income includes the following amounts relating to leased assets accounted for under IFRS 16:

	Six months ended 30 Sep 2021 € million	Six months ended 30 Sep 2020 (restated*) € million
Aircraft and spares	**150.3**	114.6
Other right-of-use assets	**1.2**	0.6
Depreciation charge for right-of-use assets	**151.5**	115.2
Interest expense (included in financial expense)	**34.4**	34.3
Net gains arising from sale and leaseback transactions (included in net other expenses)*	**(16.1)**	(27.0)
Effect of lease extensions (included in maintenance materials and repairs)	**(40.7)**	0.0

* The comparative amount was previously disclosed as gain of €1.0 million. This was a disclosure error; it should have been €27.0 million as shown above.

Other right-of-use assets include leased buildings and simulator equipment.

Due to the extension of 17 aircraft leases, previously not planned maintenance events are expected to be performed and therefore related lease-end compensation accruals of €40.7 million were no longer needed and reversed.

The total cash outflow for leases in the period was €241.0 million (2020: €191.8 million).

10. Net financing income and expense

	Six months ended 30 Sep 2021 € million	Six months ended 30 Sep 2020 € million
Interest income	**1.8**	8.1
Other	**—**	2.2
Financial income	**1.8**	10.3
Interest expenses:		
Convertible debt	**(1.0)**	(1.0)
IFRS 16 lease liability	**(34.4)**	(34.3)
JOLCO and FTL lease liability	**(2.1)**	(1.2)
Unsecured debt	**(4.8)**	(1.0)
Other	**(0.4)**	(0.5)
Financial expenses	**(42.7)**	(38.1)
Net foreign exchange (loss)/gain	**(26.8)**	35.9
Net financing (expense)/income	**(67.7)**	8.1

11. Exceptional items and underlying loss

Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

In the first half of F22, the Group had exceptional operating income of €4.3 million (the six months ended 30 September 2020: €98.2 million loss) relating to fuel hedges that were classified as discontinued as a consequence of the partial grounding of the Group's fleet under the COVID-19 virus situation. The change compared to the six months ended 30 September 2020 is due to the significant fuel price movements and also due to the lower level of hedging in F22. These items were used by management in the determination of the non-IFRS underlying loss measure for the Group – see below.

Underlying loss

	Six months ended 30 Sep 2021 € million	Six months ended 30 Sep 2020 € million
Loss for the period	**(120.9)**	(243.1)
Adjustment for exceptional items	**(4.3)**	98.2
Underlying loss after tax	**(125.2)**	(144.9)

The tax effects of the adjustments made above are insignificant.

12. Income tax expense

The income tax charge for the six months ended 30 September 2021 was €1.3 million (the six months ended 30 September 2020: €5.6 million). The tax charge is mainly attributable to local business tax and innovation tax paid in Hungary and a decrease in deferred tax liabilities.

The effective income tax rate of the Group for the six months ended 30 September 2021 was (1.1)% (the six months ended 30 September 2020: (2.4)%).

There have been no developments in the period in respect of the uncertain Swiss tax positions that we disclosed in Note 4 in the 2021 Annual Report and Accounts of the Group.

13. Loss per share

Basic and diluted loss per share

	Six months ended 30 Sep 2021	Six months ended 30 Sep 2020 (restated*)
Loss for the six months, € million	**(120.9)**	(243.1)
Weighted average number of Ordinary Shares in issue, thousands	**96,574**	85,471
Basic and diluted loss per share, €	**(1.28)**	(2.84)

* Note in the 30 September 2020 Interim Report a separate diluted earnings per share figure of €(1.90) was incorrectly presented.

There were no Convertible Shares in issue at 30 September 2021 (30 September 2020: 17,377,203). These shares were non-participating, i.e. the profit attributable to them is €nil. These shares were not included in the basic loss per share calculation above.

Underlying loss per share

	Six months ended 30 Sep 2021	Six months ended 30 Sep 2020 (restated)
Loss used to determine underlying loss per share, € million	**(125.2)**	(144.9)
Weighted average number of Ordinary Shares for underlying loss per share, thousands	**96,574**	85,471
Underlying loss per share, €	**(1.30)**	(1.70)

The calculation of the underlying EPS is different from the calculation of the IFRS diluted EPS measure in that for earnings the underlying loss for the six months was used (see Note 11) as opposed to the statutory (IFRS) loss for the six months. The weighted average number of shares for underlying earnings per share should be the same as for the basic earnings per share calculation. In the prior period the underlying loss per share had been disclosed as €(1.13) as it incorrectly included dilutive instruments which has been corrected in the table above. The underlying EPS measure was introduced by the Company to better reflect the underlying earnings performance of the business.

14. Property, plant and equipment

	Land and buildings € million	Aircraft maintenance assets € million	Aircraft assets and parts € million	Fixtures and fittings € million	Advances paid for aircraft € million	Advances paid for aircraft maintenance assets € million	RoU assets aircraft and spares € million	RoU assets other € million	Total € million
Cost									
At 1 April 2020	18.1	463.4	354.9	12.6	546.0	192.0	2,422.5	10.9	4,020.5
Reclassification to intangible assets	—	—	—	(4.7)	—	—	—	—	(4.7)
Additions	—	18.5	94.6	0.3	25.1	9.9	225.9	3.2	377.5
Disposals	—	(7.6)	(22.8)	—	(81.0)	—	(3.2)	—	(114.6)
Transfers	—	3.3	30.6	—	(30.6)	(3.3)	—	—	—
FX translation effect	—	—	—	—	—	(0.3)	(6.0)	—	(6.3)
At 30 September 2020	18.1	477.6	457.3	8.3	459.5	198.3	2,639.2	14.1	4,272.4
At 31 March 2021	18.2	430.3	545.9	8.6	527.1	217.3	2,809.6	15.5	4,572.5
Additions	—	24.5	5.7	1.6	227.5	12.5	414.0	0.1	685.9
Disposals	—	(79.2)	(1.0)	—	(158.8)	—-	(90.6)	—	(329.6)
Transfers	—	11.0	—	—	—	(11.0)	—-	—	—
FX translation effect	—	0.1	—	—	—	(0.2)	(3.0)	—	(3.1)
At 30 September 2021	**18.2**	**386.7**	**550.6**	**10.2**	**595.7**	**218.6**	**3,130.0**	**15.6**	**4,925.7**
Accumulated depreciation									
At 1 April 2020	2.1	287.0	41.7	5.5	—	—	1,128.1	3.2	1,467.5
Depreciation charge for the period	0.6	33.2	11.0	0.4	—	—	114.6	0.6	160.4
Disposals	—	(7.6)	(4.9)	—	—	—	(3.2)	—	(15.6)
FX translation effect	—	—	—	—	—	—	3.0	—	3.0
At 30 September 2020	2.7	312.6	47.8	5.9	—	—	1,242.5	3.8	1,615.3
At 31 March 2021	3.3	298.9	61.5	6.4	—	—	1,319.1	5.0	1,694.2
Depreciation charge for the period	0.6	43.0	16.4	0.4	—	—	150.3	1.2	211.9
Disposals	—	(78.4)	(0.9)	—	—	—	(90.6)	—	(169.9)
FX translation effect	—	—	—	—	—	—	(0.5)	—	(0.5)
At 30 September 2021	**3.8**	**263.4**	**77.1**	**6.7**	**—**	**—**	**1,378.3**	**6.3**	**1,735.7**
Net book amount									
At 31 March 2020	16.0	176.6	313.4	7.1	546.0	192.0	1,294.3	7.6	2,553.0
At 30 September 2020	15.4	165.0	409.5	2.4	459.5	198.3	1,396.7	10.3	2,657.1
At 31 March 2021	14.9	131.4	484.4	2.2	527.1	217.3	1,490.5	10.4	2,878.2
At 30 September 2021	**14.4**	**123.3**	**473.5**	**3.5**	**595.7**	**218.6**	**1,751.7**	**9.3**	**3,190.0**

The Group entered into various financing arrangements in order to finance aircraft including Sale and Leaseback, Japanese Operating Lease with Call Option (JOLCO) and French Tax Lease (FTL) structures. Certain of these arrangements include Special Purpose Vehicles (SPV) in the financing structure and in accordance with IFRS 10, where the Group has control of these entities, these are consolidated in the Group balance sheet. Aircraft assets and parts leased under JOLCO as part of sale and leaseback arrangements are not classified as leases under IFRS 16.

Other Right-of-Use (RoU) assets include leased buildings and simulator equipment.

The Group considered potential triggers of impairment of its property, plant and equipment particularly in the context of COVID-19, but concluded that no impairment is needed, taking into account that it is expected that business performance will materially recover and continue to improve significantly during the upcoming years and there have been no significant changes in our forecasts in the period.

15. Trade and other receivables

	30 Sep 2021 € million	31 Mar 2021 € million
Non-current		
Receivables from lessors	**8.9**	12.6
Other receivables	**9.9**	9.0
Non-current trade and other receivables	**18.8**	21.6
Current		
Trade receivables	**78.4**	63.1
Receivables from lessors	**20.8**	30.2
Other receivables	**5.3**	1.0
Total current other receivables	**26.1**	31.2
Less: provision for impairment of other receivables	**—**	—
Other current receivables net	**26.1**	31.2
Prepayments, deferred expenses and accrued income	**44.2**	19.4
Current trade and other receivables	**148.7**	113.7
Total trade and other receivables	**167.5**	135.3

Receivables from lessors (both current and non-current) represent the deposits provided by the Group to lessors as security in relation to lease contracts and in relation to the funding of future maintenance events.

Trade receivables included €35.2 million of receivables from contracts with customers (at 31 March 2021: €24.0 million).

Impairment of trade and other receivables

	30 Sep 2021 € million	31 Mar 2021 € million
Impaired receivables		
– other receivables	**2.6**	2.6
Allowances on impaired receivables		
– other receivables	**—**	—

The Group recorded €2.1 million of receivables from Warsaw Modlin airport during 2013 as compensation for damages which was immediately impaired in full. However, the Group is legally claiming the full amount in court. The compensation claimed by the Group, plus interest, was awarded by the District Court of Warsaw in June 2018. However, the airport appealed against the decision, which is currently pending. There was no transaction regarding this receivable in the first half of this financial year.

16. Trade and other payables

	30 Sep 2021 € million	31 Mar 2021 € million
Current liabilities		
Trade payables	**161.8**	89.8
Payables to passengers	**99.3**	116.4
Other trade payables	**15.4**	32.5
Accrued expenses	**323.0**	227.0
Total trade and other payables	**599.5**	465.7

At 30 September 2021, €99.3 million (at 31 March 2021: €116.4 million) of payables to passengers relate to flights cancelled mostly since March 2020 due to COVID-19 and not yet refunded by the Group. It is yet to be seen how much of this amount will be used by customers for re-booking tickets for later dates and how much will need to be refunded by the Group in cash, respectively.

17. Provisions for other liabilities and charges

	Aircraft maintenance € million	Other € million	Total € million
At 31 March 2020	105.9	15.3	121.2
Non-current provisions	44.2	2.7	46.9
Current provisions	61.7	12.6	74.3
Capitalised within property, plant and equipment	18.3	—	18.3
Charged to comprehensive income	—	2.0	2.0
Used during the period	(23.2)	(4.3)	(27.5)
At 30 September 2020	101.0	13.0	114.0
Non-current provisions	59.6	2.7	62.3
Current provisions	41.4	10.3	51.7
At 31 March 2021	78.1	10.8	88.9
Non-current provisions	49.3	1.8	51.1
Current provisions	28.8	9.0	37.8
Capitalised within property, plant and equipment	14.7	—	14.7
Charged to comprehensive income	—	10.6	10.6
Used during the period	(4.9)	(4.3)	(9.2)
At 30 September 2021	**87.9**	**17.1**	**105.0**
Non-current provisions	53.8	1.8	55.6
Current provisions	34.1	15.3	49.4

Non-current provisions relate to future aircraft maintenance obligations of the Group on leased aircraft and spare engines, falling due beyond one year from the balance sheet date. Current aircraft maintenance provisions relate to heavy maintenance obligations expected to be fulfilled in the coming financial year. The amount of provision reflects management's estimates of the cost of heavy maintenance obligations expected to be fulfilled in the coming financial year. The amount of provision reflects management's estimates of the cost of heavy maintenance work that will be required in the future to discharge obligations under the Group's lease agreements. Maintenance provision in relation to engines covered by FHA agreements are netted off with the FHA prepayments made to the engine maintenance service provider in respect of the same group of engines.

Other provisions mainly relate to liabilities for EU Regulation (EC) No. 261/2004 (EU 261) compensation to customers, refunds made to passengers, and uncertain tax positions. The value of the provision is determined based on known eligible events and historical claim patterns

18. Borrowings

	30 Sep 2021 € million	31 Mar 2021 € million
Lease liability under IFRS 16	**342.7**	341.7
Unsecured debt	**347.9**	350.3
Liability related to JOLCO and FTL contracts	**30.2**	30.1
Total current borrowings	**720.8**	722.1
Lease liability under IFRS 16	**1,736.4**	1,452.2
Unsecured debt	**502.9**	499.2
Liability related to JOLCO and FTL contracts	**402.2**	424.5
Loans from non-controlling interests	**12.9**	12.8
Total non-current borrowings	**2,654.4**	2,388.7
Total borrowings	**3,375.2**	3,110.8

As at 30 September 2021, the fair value of borrowings exceeded its carrying amount by €68.1 million (at 31 March 2021: €65.7 million). The carrying amount of other financial assets and liabilities approximated their fair value at 30 September 2021 and 31 March 2021.

The maturity profile of borrowings as at 30 September 2021 is as follows:

	IFRS 16 aircraft & engine lease liability € million	IFRS 16 other lease liability € million	JOLCO and FTL lease liability € million	Unsecured debts € million	Loans from non-controlling interests € million	Total € million
Payments due:						
Within one month	29.6	0.1	—	—	—	29.7
Between one and three months	60.4	0.3	6.5	—	—	67.2
Between three months and one year	251.0	1.3	23.7	347.9	—	623.9
Between one and five years	1,090.6	5.8	122.9	502.9	—	1,722.2
In more than five years	637.4	2.6	279.3	—	12.9	932.2
Total borrowings	**2,069.0**	**10.1**	**432.4**	**850.8**	**12.9**	**3,375.2**

The maturity profile of borrowings as at 31 March 2021 is as follows:

	IFRS 16 aircraft & engine lease liability € million	IFRS 16 other lease liability € million	JOLCO and FTL lease liability € million	Unsecured debts € million	Loans from non-controlling interests € million	Total € million
Payments due:						
Within one month	45.3	0.1	—	—	—	45.4
Between one and three months	45.6	0.7	6.4	—	—	52.7
Between three months and one year	248.8	1.1	23.7	350.3	—	623.9
Between one and five years	1,013.9	5.7	122.5	499.2	—	1,641.3
In more than five years	429.2	3.5	302.0	—	12.8	747.5
Total borrowings	**1,782.8**	**11.1**	**454.6**	**849.5**	**12.8**	**3,110.8**

19. Deferred income

	30 Sep 2021 € million	31 Mar 2021 € million
Non-current financial liabilities		
Deferred income	**61.7**	43.5
Current financial liabilities		
Unearned revenue	**146.7**	65.0
Other	**5.1**	3.0
	151.8	68.0
Total deferred income	**213.5**	111.5

Non-current deferred income represents the value of benefit for the Group coming from concessions (cash credits and free aircraft components) received from aircraft and certain component suppliers, that will be recognised as a credit (a decrease to aircraft rental expenses) on a straight-line basis over the lease term of the respective asset.

Current deferred income represents the value of tickets paid by passengers for which the flight service is yet to be performed ("unearned revenue"), the value of membership fees paid but not yet recognised and the current part of the value of supplier credits received. The increase in unearned revenue was due to the lower level of travel restrictions compared to 31 March 2021.

The contract liabilities (unearned revenue) of €146.7 million existing at 30 September 2021 (at 31 March 2021: €65.0 million) will become revenue during the upcoming financial years (subject to further cancellations that might happen).

20. Capital commitments

At 30 September 2021 the Group had the following capital commitments:

a) A commitment to purchase 235 Airbus aircraft of the A320-family in the period 2021–2027. Of the 235 aircraft, 215 relate to the "neo" version of the A320-family (70 from the purchase orders placed in June 2015 and 145 from the purchase order placed in November 2017), while the remaining 20 relate to the "neo XLR" version (from the purchase order placed in June 2019). The total commitment is valued at US$32.1 billion (€27.6 billion) based on list prices last published in 2018 and escalated annually until the reporting date (2021: US$34.1 billion (€29.1 billion)). As at the date of approval of this document out of the 235 aircraft, 14 are to be delivered in F22, and 39 in F23. Financing is already contracted for 22 aircraft and letter of intent is in place to finance 23 aircraft. The Group uses various financing arrangements in order to finance aircraft including Sale and Leaseback, Japanese Operating Lease with Call Option (JOLCO) and French Tax Lease (FTL) structures.

b) A commitment to purchase 36 IAE "neo" (GTF) spare aircraft engines in the period 2021–2026. In July 2016 the Group entered into an engine selection agreement with Pratt & Whitney that, among other matters, included a commitment for the Group to purchase 16 spare engines (of which 7 were already received). In September 2019 the Group restated and amended this engine selection agreement with certain other commitments including a purchase of 25 additional spare engines until 2026. In 2021 the Group committed to purchase further 2 spare engines. The total commitment is valued at US$573.6 million (€494.3 million) at list prices in 2021 US$ terms (2021: US$557.4 million (€474.5 million), valued at 2021 list prices). As at the date of approval of this document out of the 36 engines 1 is to be delivered in F22, and 8 in F23. None of those is financed yet.

21. Contingent liabilities

The Group has certain contingent liabilities in relation to European Commission state aid investigations and to legal claims initiated by Carpatair. These matters were explained in Note 34 in the 2021 Annual Report and Accounts of the Group and there have been no significant developments in these cases since then.

No provision has been made by the Group in relation to these cases because there is currently no reason to believe that the Group will incur charges from these cases.

22. Subsequent events

There were no matters arising, between the statement of financial position date and the date on which this condensed consolidated interim financial statements were approved by the Board of Directors, requiring adjustment or disclosure in accordance with IAS 10, 'Events After the Reporting Period'. The following important non-adjusting events should be noted:

- During October 2021 Wizz Air signed sale and leaseback agreements with four lessors covering a total of eight new A321neo aircraft deliveries scheduled in CY 2022.

23. Related parties

The Group has related party relationships with Indigo Hungary LP and Indigo Maple Hill LP (collectively referred to as "Indigo" here) and its key management personnel (Directors and Officers).

There were no related party transactions in the period ended 30 September 2021 that materially affected the financial position or the performance of the Group during that period and there were no changes to the related party positions described in the 2021 Annual Report and Accounts that could have a material effect on the financial position or performance of the Group in the same period. Since the date of publication Maria Kyriacou has informed the Company that she would not be available for re-election at the AGM and she retired from the Board effective 27 July 2021.

On 12 May 2021, Wizz Air Innovation Ltd. was incorporated as wholly owned subsidiary of Wizz Air Holdings Plc.

24. Seasonality of operations

The Group's results of operations, like those of most other airlines in Europe, vary significantly from quarter to quarter within the financial year. Historically, the Group has had higher passenger revenue during the summer season in comparison to the winter season (with the exception of the period around Christmas, the New Year and Easter) as this is the period during which many Europeans tend to take their annual holiday. Flight frequency, load factor and average ticket prices all tend to be higher during such peak periods compared to other periods of the year. However, due to the travel restrictions regarding COVID-19 and recovery of activity this seasonality is less visible in F22.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the interim report in accordance with applicable law and regulations.

The Directors confirm that this condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

The interim management report includes a fair review of the information required by the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority paragraphs 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 30 September 2021 and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions during the six months ended 30 September 2021 and any material changes in the related party transactions described in the 2021 Annual Report and Accounts of the Group.

The Directors of Wizz Air Holdings Plc are listed in the 2021 Annual report and Accounts of the Group. Since the date of publication Maria Kyriacou has informed the Company that she would not be available for re-election at the AGM and she retired from the Board effective 27 July. The announcement was disclosed in the 2021 Notice of Annual General Meeting issued on July 2, 2021. A list of current Directors is maintained on the Wizz Air Holdings Plc website: wizzair.com.

This interim report was approved by the Board of Directors and authorised for issue on 4 November 2021 and signed on its behalf by:

József Váradi
Director

INDEPENDENT REVIEW REPORT TO WIZZ AIR HOLDINGS PLC

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Wizz Air Holdings Plc's condensed consolidated interim financial statements (the "interim financial statements") for the six months to 30 September 2021 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the condensed consolidated interim statement of financial position as at 30 September 2021;
- the condensed consolidated interim statement of comprehensive income for the period then ended;
- the condensed consolidated interim statement of cash flows for the period then ended;
- the condensed consolidated interim statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the results for the six months to 30 September 2021 of Wizz Air Holdings Plc have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The results for the six months to 30 September 2021, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the results for the six months to 30 September 2021 in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the results for the six months to 30 September 2021 based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the results for the six months to 30 September 2021 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
London
4 November 2021