

## **ICELANDAIR ENTERS INTO A LETTER OF INTENT (LOI) REGARDING THE PURCHASE OF A 49% SHARE IN FLY PLAY EUROPE IN MALTA**

Icelandair has signed a Letter of Intent (LOI) to initiate discussions regarding the possible purchase of a 49% share in Fly Play Europe, a company registered in Malta and holding a Maltese Air Operator Certificate (AOC). The company was established by the Icelandic airline Play when it was in operation and is owned by Icelandic investors, including pension funds.

Acquiring a share in the company would open up new opportunities for Icelandair, for example in charter services as the Maltese company has access to more extensive air service agreements and double taxation treaties. At the same time, it would create opportunities to separate the company's fleet operations, with aircraft intended for the long term in Icelandair's passenger route network being operated in Iceland, while other aircraft would be operated in Malta. Such a separation would simplify Icelandair's operations and increase efficiency.

The LOI forms the basis for further discussions. Any potential transaction, should it proceed, would be subject to the outcome of due diligence, the conclusion of a final agreement, an arrangement between the secured creditors of the bankruptcy estate of Fly Play hf. and the trustee of the estate, and the necessary approvals, including from authorities as applicable.

### **Bogi Nils Bogason, President and CEO of Icelandair:**

"Most airlines in our markets, especially in Europe, operate more than one air operator certificate, giving them greater flexibility in their operations. If the transaction goes through it would similarly increase Icelandair's flexibility and competitiveness. Having access to an air operator certificate in Malta in addition to the Icelandic one can open up new and exciting business opportunities and at the same time simplify our operations in Iceland and increase efficiency."

### **Contact information**

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