

WOW air hf. – Notice of a written procedure

As announced in a press release dated November 29, 2018 the shareholders of WOW air hf ("WOW" or the "Company") and Indigo Partners LLC ("Indigo") have agreed in principle for Indigo to invest in WOW after the signing of a Term Sheet ("Term Sheet"). The Term Sheet contains certain conditions for the completion of the transaction, including that certain amendments and waiver shall be made in relation to the terms and conditions for the Company's up to up to EUR 100,000,000 Senior Secured Floating Rate Bonds 2018/2021 with ISIN: NO0010832785 (the "Bonds").

Following successful completion of due diligence, the parties will work to close the investment as soon as practicable whereby Indigo Partners will acquire some of the shares in WOW (the "Purchase") pursuant to a Share Purchase Agreement (the "Share Purchase Agreement") to be entered into between an SPV formed and controlled by Indigo Partners (the "Indigo Investor") and other shareholders of WOW. Additionally, the Indigo Investor contemplates issuing a new super senior convertible loan to WOW to fund the recovery of its business. In the aggregate, Indigo's investment, assuming successful diligence, structuring and documentation would be for an amount up to USD 75 million.

The Company has on the date hereof given instructions to Nordic Trustee & Agency AB (publ), being the agent under the Bonds, to initiate a written procedure in order to request that the bondholders (i) consent to the release of the security over the shares in the Company, (ii) approve certain amendments of the terms and conditions as further set out in the notice of written procedure, and (iii) waive all defaults under the Bonds. Any consent given by the bondholders to the abovementioned request will lapse and be deemed void if the Purchase has not been completed by 28 February 2019.

On 2 November 2018, the Company issued share warrant instruments (the "Warrants"). It is a condition for the completion of the Purchase that the Warrants are cancelled and the Company does therefore intend to offer the warrant holders to cancel their warrants.

The agent will dispatch the notice to the written procedure to all bondholders on 14 December 2018 in accordance with the terms and conditions of the Bonds. The written procedure will end at 17:00 (CEST) on 17 January 2019. The record date on which a bondholder must own Bonds in order to be eligible to vote in the written procedure will be 20 December 2018.

The notice of the written procedure will be available on the Company's website (<https://wowair.is/investors/>) and on Stamdata (www.stamdata.com).

For more information, please visit WOW's website at <https://wowair.is/investors> or contact: Svanhvit Fridriksdottir, VP CommunicationsMail: svana@wow.is | Tel: +354 6959359

This information is information that WOW air hf. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 14:05 GMT on December 14, 2018.