

A white Avation aircraft with red accents on the tail and engines, flying above a layer of white clouds against a blue sky. The word 'avation' is written in red and black on the side of the fuselage.

avation PLC

Equity Ticker LSE: AVAP

Bond Ticker LU: AVTCAP

www.avation.net

Corporate Presentation

19 March 2022

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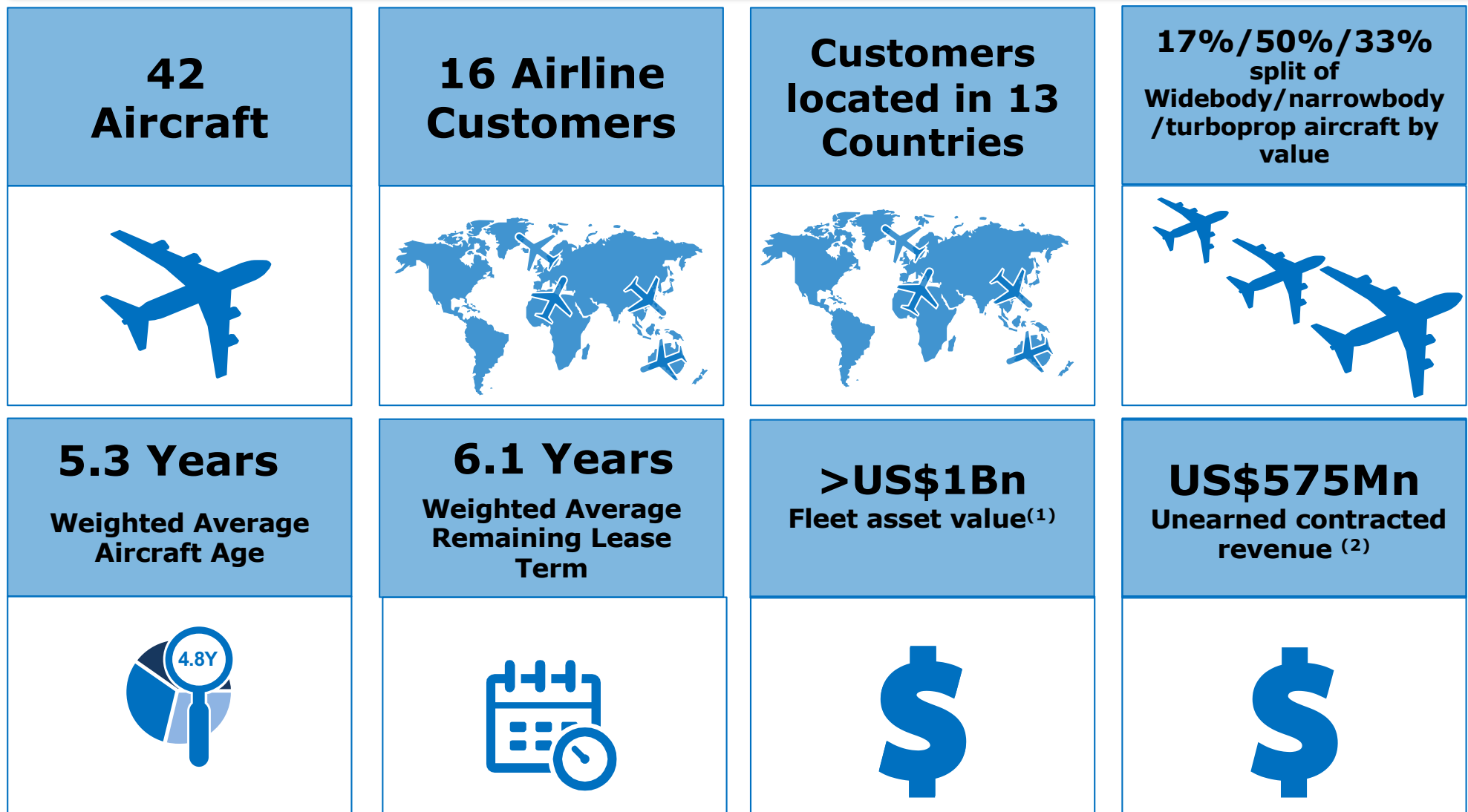
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Snapshot of Avation as at 31 December 2021 **ava**tion PLC

Diversified Fleet and Customer Base with Strong Metrics



1. Includes property, plant and equipment, assets held for sale and finance lease receivables as at 31 December 2021.

2. Lease rentals receivable under non-cancellable operating leases.









Attractive Aircraft Portfolio (31 Dec 2021)

Popular aircraft with low average age

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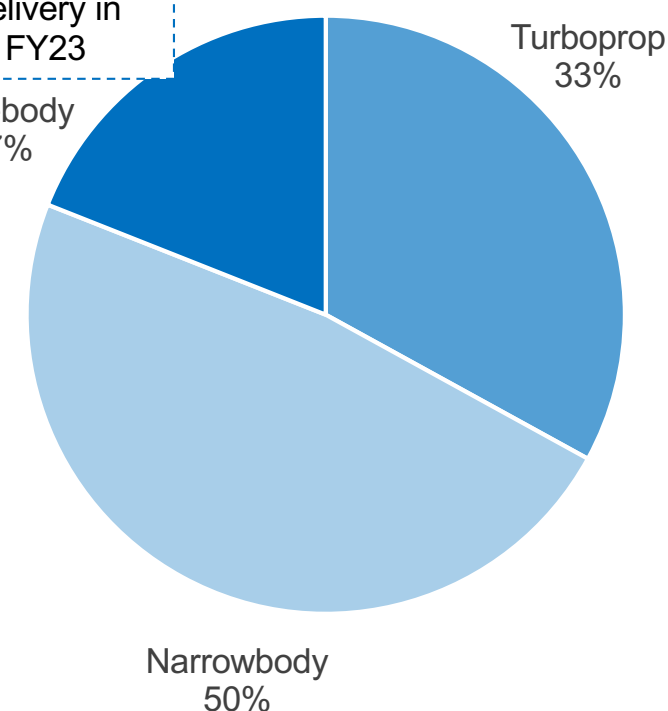
Balanced Fleet with Orderbook and Purchase Rights to Retain Expansion Flexibility

By Aircraft Value

Aircraft Type		Fleet	Orders	Purchase Rights
Turboprop Aircraft				
ATR 72-600		21	2	28
ATR 72-500		5	-	-
Narrowbody Aircraft				
A321-200		6	-	-
B737-800		1	-	-
A320-200		2	-	-
A220-300		5	-	-
Widebody Aircraft				
A330-300		1	-	-
B777-300ER		1	-	-
Total		42	2	28

2 ATR for delivery in FY23

Widebody
17%



Diversified fleet consisting of 17% widebody, 50% narrowbody and 33% turboprop aircraft by value

Airline Customers

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16 Airline Customers in 13 Countries

Customer / Aircraft

EVA - A330
PAL - 777
VietJet - 6 x A321
AirBaltic - 5 x A220
easyJet - A320
Air India - 2 x ATR72
Cebu - ATR72
Braathens - 2 x ATR72
Fiji - ATR72
Mandarin - 3 x ATR72
DAT - 2 x ATR72
Hevilift - 3 x ATR72
GMA - ATR72
USB - 2 x ATR72
Flybig - ATR72
TBA - A320
Aegean - 3 x ATR (sold)
Remarketing or selling - 5 x ATR, 737



Half Year 2022 Summary

Total Income

US\$60.1 million
(5%) YoY

Revenue

US\$57.9 million
(6%) YoY

Operating Profit

US\$18.8 million
154% YoY

Total (Loss) after Tax

(US\$15.3) million
75% YoY

Fleet Assets⁽¹⁾

US\$1.0 billion
(7%) since 30 June 2021

Weighted Average Cost of Debt⁽²⁾

5.4%
FY 2021 : 5.4%

Earnings per Share

(US 22.0) cents
HY2021: (US 97.9) cents

NAV per Share

£1.64
FY2021: £1.64

1. PP&E, assets held for sale and finance lease receivables
2. Weighted average as at 31 December 2021.

Aircraft Sales

- Sold Airbus A220-300 in October
- Sold Airbus A321-200 in November
- Agreement to sell 3 ex-Virgin Australia ATR aircraft to Aegean Airlines

Aircraft Leases

- Leases extended on 2 Hevilift ATR72-600 aircraft
- Lease signed and aircraft delivered for 3rd Hevilift aircraft
- PAL restructuring finalized with the airline retaining the Boeing 777-300ER

Aircraft transitions

- Boeing 737-800 returned, remarketing commenced
- 2 ATR72-600 returned and remarketed for sale or lease
- Airbus A320 returned and transitioned

Debt Analysis & Key Ratios

Debt Analysis	HY2021	FY2021
Net Indebtedness (US\$ million)	851.1	922.6
Weighted Average Cost of Debt	5.4%	5.4%
Weighted Average Cost of Secured Debt	4.0%	3.9%
Proportion of Fixed/Hedged Interest Rate Debt	89.0%	90.9%
Net Debt/Assets	70.5%	71.9%
Key Ratios	HY2021	FY2021
Net asset value per share (A)	£1.64	£1.64
Lease yield(B)	10.3%	10.1%
Debt/Equity (C)	5.7	6.0

A. Net asset value per share = Equity/Shares in Issue (GBP:USD = 1.35 at 31 December 2021)(FY2021: 1.38)

B. Lease revenue/Average fleet assets

C. Net Debt/EBITDA (EBITDA = Profit before taxation + Finance expenses + Depreciation + Impairment)

Liquidity Update

	HY2022	FY2021
Total cash	\$120.8m	\$122.5m
Unrestricted	\$31.3m	\$25.1m
Restricted	\$89.5m	\$97.4m
Finance lease receivables	\$66.2m	\$50.0m
Current	\$7.0m	\$4.1m
Non-current	\$59.2m	\$45.8m
Unencumbered aircraft	5	3
Turboprop	4 ATR72	ATR72
Narrowbody	B737-800	A321-200 B737-800

Maturities and loan covenants:

- Loan maturities typically match the remaining lease durations.

Unsecured Bonds:

- \$343.8m 6.5% (plus 2.5% PIK or 1.75% cash interest) unsecured notes maturity in Oct 2026.
- Avation has access to equity markets and expects to sell underutilised aircraft provide further liquidity.

COVID Update, Buying Signals and the Pathway Forward

Execution of sales, collections of debtors

Sale/Lease of 3 remaining unutilised aircraft

Avation customers increasing flying

Return to growth – Aircraft acquisition

Deleveraging balance sheet

Cash and liquidity have been preserved

Further cash from aircraft sales and debtors

Operational efficiency returning to fleet

Airline traffic returning to pre-COVID levels

Positioned for recovery and growth