

Via RNS and SGXNET

AVATION PLC
(“Avation” or “the Company”)

TRADING UPDATE AND FULL UTILISATION

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company, is pleased to announce that it has entered into a new lease agreement for its final remaining aircraft from inventory. The ATR72-600 aircraft has been leased to an airline in the Pacific at a market rate for six years and is scheduled for delivery in July 2023.

Trading Update

In placing on-lease the last remaining inventory aircraft, all of Avation’s aircraft, which were repossessed during the COVID-19 pandemic and became “off-lease” aircraft are now placed or have been sold. Since inception in 2006 Avation has purchased a total of 73 aircraft, has sold a total of 37 and traded two aircraft purchase options. Avation has also successfully transitioned a total of 13 aircraft between airlines.

Avation expects the global passenger market capacity to recover to 2019 levels by the end of calendar 2023 as stated by Cirium an aviation industry consultancy.

Cost of Borrowing

Avation’s weighted average cost of borrowing as at 31 March 2023 is 6.08% (unaudited) and 99% (unaudited) is hedged. Avation’s net asset value per ordinary share as at 31 December 2022 is USD \$3.42 (unaudited).

ATR and SAF

The Company is encouraged by ATR’s target to certify ATR aircraft to be capable of using 100% sustainable aviation fuel (“SAF”) by 2025. This enables ATR aircraft to remain compliant with any EU regulations which may require aircraft fuel to include a certain proportion of SAF, such as the regulations currently being considered by the EU Commission. Avation PLC is one of the leading aircraft lessors for ATR aircraft and we look forward to delivering our two orders and 28 purchase rights for ATR aircraft over the coming years which should help to reduce aviation CO₂ emissions.

Finance Costs

Avation’s Executive Chairman, Jeff Chatfield said: “Avation now has no remaining aircraft unleased in inventory as the Company has entered into a lease agreement with a new airline customer, with the aircraft scheduled to be delivered in July 2023 on completion of technical checks. We expect Avation’s cost base to improve in the next financial year as the holding cost of inventory is now eliminated and reconfiguration and transition costs have all been reduced.”

-ENDS-

Enquiries:

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Avation welcomes shareholder questions and comments and advises the email address for questions is: investor@avation.net and the Company provides an investor Q & A during the conference call associated with release of results. The head office telephone number is +65 62522077.

Notes to Editors: Avation PLC is an aircraft leasing company, headquartered in Singapore, owning and managing a fleet of commercial passenger aircraft which it leases to airlines around the world. More information on Avation is available at www.avation.net.