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THIS IS AN ANNOUNCEMENT OF A POSSIBLE OFFER UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE AND THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE, NOR AS TO THE TERMS ON WHICH ANY OFFER WILL BE MADE.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

7 April 2020

AVATION PLC ("Avation" or the "Company")

Strategic Review and Formal Sale Process Update

The Board of Avation announces today that it is continuing its comprehensive review of the strategic options open to it in order to maximise value for shareholders. These options include merger and acquisition activity, an aircraft portfolio sale or review etc., as well as a potential sale of the Company through a "formal sale process" (as referred to in Note 2 on Rule 2.6 of the Code). The Board has appointed Wells Fargo Securities to assist with this review.

The Company confirms that it has engaged with multiple interested parties as part of the formal sale process. Several interested parties remain but, in light of the market dislocation resulting from the COVID-19 pandemic, progress has been delayed.

As previously communicated, the Panel on Takeovers and Mergers (the "**Takeover Panel**") has granted a dispensation from the requirements of Rules 2.4(a), 2.4(b) and 2.6(a) of the Code such that any interested party participating in the formal sale process will not be required to be publicly identified under Rules 2.4(a) or 2.4(b) as a result of this announcement and any interested party participating in the formal sale process will not be subject to the 28-day deadline referred to in Rule 2.6(a) of the Code for so long as it is participating in the formal sale process.

It should be noted that there can be no certainty that an offer will be made, nor as to the terms on which any offer will be made. The Board of Avation reserves the right to alter or terminate the process at any time and if it does so it will make an announcement as appropriate. The Board of Avation also reserves the right to reject any approach or terminate discussions with any interested party at any time.

Enquiries:

Avation

Jeff Chatfield, Executive Chairman

+65 6252 2077

Wells Fargo Securities

Sam Small

+44 203 942 9625

Bryce Endline

+1 704 410 1084

In accordance with Rule 26.1 of the Code, a copy of this announcement will, subject to certain restrictions relating to persons resident in restricted jurisdictions, be available at www.avation.net. The person responsible for arranging for the release of this announcement on behalf of Avation is Duncan Scott General Counsel and Company Secretary. For the avoidance of doubt, the content of the website referred to above is not incorporated into and does not form part of this announcement.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, the Company confirms that as at close of business on [6 April 2020], its issued share capital consisted of 62,669,942 ordinary shares of £0.01 each. This figure excludes 2,210,000 ordinary shares that are held in treasury. The International Securities Identification Number (ISIN) of the ordinary shares is GB00B196F554.

Forward Looking Statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the formal sale process, and other information published by Avation may contain statements about Avation that are or may be deemed to be forward looking statements. Such statements are prospective in nature. All statements other than historical statements of facts may be forward looking statements. Without limitation, statements containing the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects” or “considers” or other similar words may be forward looking statements. Forward looking statements inherently contain risks and uncertainties as they relate to events or circumstances in the future. Important factors such as business or economic cycles, the terms and conditions of Avation’s financing arrangements, tax rates, or increased competition may cause Avation’s actual financial results, performance or achievements to differ materially from any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Avation disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

About Avation

Avation is an aircraft leasing company, headquartered in Singapore, owning and managing a fleet standing at 48 commercial passenger aircraft which it leases to airlines around the world.

About Wells Fargo Securities

Wells Fargo Securities International Limited, a subsidiary of Wells Fargo & Company trading as “Wells Fargo Securities”, is authorised and regulated by the Financial Conduct Authority (FCA) in the United Kingdom. Wells Fargo Securities is acting exclusively as financial adviser to Avation and will not be responsible to anyone other than Avation for providing the protections afforded to its client, or for providing advice in relation to the matters set out in this Announcement.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

The defined terms used in this section "Disclosure requirements of the Code" are defined in the Code which can be found on the Takeover Panel's website.

This announcement does not constitute an offer to purchase any securities, or an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any offer to purchase or sell securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The release, distribution or publication of this announcement in jurisdictions other than the UK may be restricted by law and

therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about and observe any applicable requirements.