

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

**CHAIRMAN’S AGM STATEMENT**

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company, will hold its Annual General Meeting today in Singapore which will include the following Chairman’s Statement. The purpose of this statement is to provide investors with an update on current operations.

**Market**

IATA’s most recent air passenger market analysis reported continued strength in air travel with revenue passenger kilometres increasing 7.1% in the year to October 2024, surpassing historical highs.

Market values and lease rates for commercial aircraft continue to be supported by constrained deliveries of new aircraft due to continuing supply chain issues. Avation believes that values of popular new narrowbody aircraft types have increased by around 5% over the last year.

**Fleet Update**

In August 2024 Avation sold two six-year-old ATR 72-600 aircraft to their lessee, releasing around US\$ 10 million in net cash after repayment of associated bank loans.

In October 2024 Avation agreed a lease extension for a fifteen-year-old Airbus A320 at a lease rate that exceeds the previous rental rate for the aircraft.

In November 2024 the Company sold a new ATR 72-600 on delivery from the manufacturer, generating net cash proceeds for around US\$ 5 million. The net proceeds from sale have been deployed to fund pre-delivery payments on Avation’s orderbook for additional ATR aircraft.

As of 19 December 2024, Avation owns a fleet of 32 commercial aircraft leased to 15 airlines in 13 countries. The average age of the fleet is 7.8 years, and the average remaining lease term is 3.8 years.

The Company has three leased aircraft being returned in 2025. All three aircraft have been placed with three new airline lessees for subsequent operation. There are no further lease aircraft being returned until 2026.

The Company has two new ATR72-600 aircraft being delivered in 2025. For the first aircraft, the Company signed a twelve-year lease agreement with a Japanese airline. This aircraft is currently scheduled for delivery from the manufacturer in October 2025. The second aircraft has been placed with an airline in Korea. Both of the two new aircraft have been placed with two new airline customers. The next available new aircraft scheduled for delivery is in 2026.

With all returning aircraft and new aircraft placed for 2025, the Company will consider opportunistically acquiring additional aircraft in the secondary market to further expand the fleet in 2025.

**Finance Update**

Avation has continued to make progress with collections of Covid era related airline arrears. Total arrears have been reduced by around US\$ 6.4 million since 30 June 2024. The management team remains highly focussed on collections of remaining arrears.

The Company recently issued 3,692,262 fully paid ordinary shares pursuant to the exercise of employee and bondholder share warrants, providing total proceeds of GBP 4.8 million (equivalent to about US\$ 6.1 million).

Avation currently has US\$ 336.8 million secured bank loans outstanding which bear interest at an average interest rate of 4.86%.

Avation also has US\$ 331.6 million outstanding 9.00%/8.25% Senior PIK Toggle Notes which have a maturity of October 2026.

Total cash and bank balances increased by US\$ 18.6 million since 30 June 2024 to US\$ 136.5 million as at the 13th of December 2024.

The Company repurchased on the 17<sup>th</sup> of December 2024 a total of 7,800,000 shares representing 10.45% of the outstanding shares for 150p each. These repurchased shares will be held in treasury. The Company had a view that the most undervalued security was the ordinary shares and that this repurchase was the most value accretive.

**Executive Chairman, Jeff Chatfield, said:**

“The commercial aviation market continues to perform well, underpinned by strong demand for passenger air travel and continued supply chain issues restricting the supply of new aircraft. Avation is working to improve shareholder value by repurchasing shares and reinstating dividends. Avation is well placed to benefit from supportive industry dynamics, both in terms of growth by the placement of ten new ATR aircraft which we have ordered for delivery between 2025 and 2028 and by remarketing existing aircraft when their current leases expire, Avation is therefore confident in its ability to place the remaining aircraft in its orderbook at lease rates which will generate value for shareholders.”

*-ENDS-*

Enquiries:

Avation PLC – Jeff Chatfield, Executive Chairman

+65 6252 2077

Avation welcomes shareholder questions and comments and advises the email address is: [investor@avation.net](mailto:investor@avation.net)

*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](http://www.avation.net).