

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

AUDITED RESULTS FOR YEAR ENDED 30 JUNE 2025

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company, has published its annual report for the year ended 30 June 2025.

Financial Highlights

- Revenue increased by 19.2% to \$110.1 million (2024: \$92.4 million);
- Lease yield was 11.3% (2024: 10.7%);
- EBITDA increased by 20.3% to \$107.1 million (2024: \$89.0 million);
- Operating cashflow increased by 12.2% to \$91.5 million (2024: \$81.6 million);
- Net indebtedness reduced by 7.3% to \$604.2 million (2023: \$651.5 million);
- Net debt: EBITDA reduced to 5.6x (2024: 7.3x);
- Total year-end cash and bank balances were \$130.0 million (2024: \$117.9 million) and \$148.5 million (unaudited) at 26 September 2025;
- Operating profit was \$46.4 million (2024: \$83.2 million);
- Loss after tax was \$7.7 million (2024: profit \$19.7 million);
- Basic earnings per share were (11.22) cents (2024: 27.85 cents);
- Net asset value per share increased to \$3.66 (2024: \$3.62); and
- Dividend of 1.0 US cents per share declared.

Operational Activity

- The Company acquired an Airbus A320-200 aircraft on lease to Etihad Airways;
- Two new ATR 72-600 aircraft were sold on delivery to an airline customer generating a \$3.5 million gain on sale;
- The lease for an Airbus A320-200 aircraft to easyJet was extended to March 2029;
- An ATR 72-600 was transitioned to a six-year lease with a new customer Clic Air;
- The first two ATR 72-600 aircraft in Avation’s ten aircraft orderbook were placed on lease with new airline customers in South Korea and Cambodia. The aircraft are scheduled for delivery in November 2025 and February 2026 respectively;
- The Company was granted a 5-year extension to its Singapore Aircraft Leasing Scheme tax incentive;
- The Company agreed to sell a Boeing 777-300ER aircraft in a transaction generating a material profit above book value in the 2026 financial year; and
- The Company obtained new corporate credit ratings from Moody’s and Fitch of B1 (stable) and B (stable) respectively.

Executive Chairman, Jeff Chatfield, said:

“The financial year ended 30 June 2025 was a period of consolidation for Avation. The fleet performed well with all aircraft on lease throughout the period. We successfully transitioned an ATR 72-600 to a new lessee customer Clic Air, extended the lease of an A320-200 aircraft with easyJet and recently signed leases for the first two aircraft to be delivered from our ten aircraft orderbook with ATR. We also added Etihad Airways to our customer list in March 2025 with the purchase of an Airbus A320-200 and sold two ATR 72-600 aircraft to their lessee pursuant to the exercise of purchase options. Further fleet optimisation was achieved in early September 2025 with the sale of a Boeing 777-300ER widebody aircraft at a material profit above book value. We intend to use the sale proceeds to reduce debt and to reinvest into popular narrowbody aircraft types.

Cash generation was strong, enabling the Company to further reduce debt, achieving a reduction to 54.8% in the ratio of net debt to total assets as at 30 June 2025. We have made significant repurchases of the Avation Capital S.A. 8.25% October 2026 unsecured notes issue, reducing the outstanding amount to US\$310.0 million at 30 June 2025 and to US\$298.0 million as of today's date.

The Company now has a strong focus on refinancing the remaining outstanding unsecured notes which are currently due to mature in October 2026. In preparation for a refinancing transaction, we recently updated our Global Medium Term Note programme documentation and engaged Moody's and Fitch Ratings to provide additional credit ratings on the Company. We are pleased to note that Moody's assigned the Company a first-time B1 Corporate Family Rating (CFR) and B2 issuer rating with a stable outlook, and Fitch Ratings assigned the Company a B long-term issuer default rating. We believe that we are now well positioned to achieve a successful refinancing of the Notes.

Avation plans to grow its business in a prudent and strategic manner. The first two of the ten new ATR 72-600 aircraft on order have been placed with new customers and we are confident that the Company will be able to place the remaining ordered aircraft in a timely manner. The order was placed by exercising ten purchase rights and the company holds another 24 purchase rights, providing opportunities for further fleet growth.

The Board is pleased to reward shareholders with an interim dividend of 1.0 US cents per share in respect of the 2025 financial year.”

Financial Summary

US\$ '000s	Year ended 30 June,	
	2025	2024
Revenue	110,099	92,397
Other income	2,448	3,575
	112,547	95,972
Operating profit	46,444	83,218
(Loss)/Profit before tax	(9,722)	30,046
(Loss)/Profit after tax	(7,716)	19,735
EPS (basic)	(11.22c)	27.85c

US\$ '000s	30 June,	
	2025	2024
Fleet assets (1)	819,807	832,818
Total assets	1,101,935	1,142,321
Total cash and bank balances (2)	129,975	117,940
Cash and cash equivalents	48,102	23,561
EBITDA (3)	107,063	88,999
Funds from operations (FFO) (4)	62,186	37,356

Net asset value per share (US\$) (5)	US\$3.66	US\$3.62
Net asset value per share (GBP) (6)	£2.67	£2.85

1. Fleet assets are defined as property, plant and equipment plus assets held for sale plus finance lease receivables.
2. Total cash and bank balances as at 30 June 2025 comprise cash and cash equivalents of US\$48.1 million (30 June 2024: US\$23.6 million), investment in fixed deposits of US\$1.0 (2024: US\$nil) and restricted cash balances of US\$80.8 million (30 June 2024: US\$94.4 million).
3. EBITDA is a non-GAAP measure of financial performance calculated as profit before tax plus finance expenses plus depreciation plus impairment charges plus unrealised loss on aircraft purchase rights and pre-delivery deposits paid.
4. FFO is a non-GAAP measure of financial performance calculated as EBITDA minus interest expense minus current tax expense.
5. Net asset value per share is total equity divided by the total number of shares in issue, excluding treasury shares.
6. Based on GBP:USD exchange rate as at 30 June 2025 of 1.37 (30 June 2024:1.27).

We use EBITDA and FFO to assess our consolidated financial and operating performance, and we believe these non-GAAP measures are helpful in identifying trends in our financial performance.

Aircraft Fleet

Aircraft Type	30 June 2025	30 June 2024
ATR 72-600	13	15
ATR 72-500	4	4
Airbus A220-300	5	5
Airbus A320-200	3	2
Airbus A321-200	6	6
Airbus A330-300	1	1
Boeing 777-300ER	1	1
Total	33	34

At 30 June 2025, Avation's fleet comprised 33 aircraft, including three aircraft on finance lease. Avation serves 16 customers in 14 countries. The weighted average age of the fleet is 8.5 years (30 June 2024: 7.3 years) and the weighted average remaining lease term is 3.9 years (30 June 2024: 4.1 years).

One Airbus A320-200 aircraft was acquired and two ATR 72-600 aircraft were sold during the period. Turboprop and narrowbody aircraft make up 83% of fleet assets as at 30 June 2025. Fleet assets have decreased 1.6% to US\$819.8 million (30 June 2024: US\$832.8 million) as a result of aircraft sales and depreciation. As at the date of this report, Avation's fleet is fully utilised. Subsequent to the year-end a Boeing 777-300ER aircraft was sold.

Avation has orders for ten new ATR 72-600 aircraft and purchase rights for a further 24 aircraft at 30 June 2025. The order-book and purchase rights provide a pathway to future fleet growth.

Debt summary

US\$ '000s	30 June,	
	2025	2024
Current loans and borrowings	70,084	49,668
Non-current loans and borrowings	582,253	625,426
Total loans and borrowings	652,337	675,094
Cash and cash equivalents	48,102	23,561
Net indebtedness (1)	604,235	651,533
Net debt to total assets (2)	54.8%	57.0%
Weighted average cost of secured debt (3)	5.2%	4.8%
Weighted average cost of total debt (4)	6.6%	6.4%

1. Net indebtedness is defined as loans and borrowings less unrestricted cash and bank balances.
2. Net debt to assets is defined as net indebtedness divided by total assets.
3. Weighted average cost of secured debt is the weighted average interest rate for secured loans and borrowings at period end.
4. Weighted average cost of total debt is the weighted average interest rate for total loans and borrowings at period end.

During the period net indebtedness was reduced by 7.3% to US\$604.2 million (30 June 2024: US\$651.5 million). Seven aircraft were re-financed with long-term floating rate debt in the year.

The weighted average cost of total debt has increased to 6.6% as at 30 June 2025 (30 June 2024: 6.4%) due to repayments of lower cost secured loans in the period and refinancing aircraft with higher cost floating rate loans, offset by repayments of unsecured notes. The weighted average cost of secured debt increased to 5.2% at 30 June 2025 (30 June 2024: 4.8%).

At the end of the financial period, Avation's net debt to total assets ratio improved to 54.8% (30 June 2024: 57.0%). As at 30 June 2025, 84.2% of total debt was at fixed or hedged interest rates (30 June 2024: 96.4%). The ratio of unsecured debt to total debt was 45.3% (30 June 2024: 44.8%).

Financial Analysis

Revenue

US\$ '000s	Year ended 30 June,	
	2025	2024
Lease rental revenue	89,935	87,749
Less: amortisation of lease incentive assets	(3,141)	(2,721)
	86,794	85,028
Interest income from finance leases	1,219	2,018
Maintenance reserves revenue	22,086	5,351
	110,099	92,397

Lease rental revenue increased by 2.5% to US\$89.9 million in the year ended 30 June 2025 from US\$87.7 million in the year ended 30 June 2024. The increase was principally due to increased utilisation of the fleet in the year ended 30 June 2025 and the addition of an Airbus A320-200 aircraft to the fleet in March 2025.

Interest income from finance leases decreased by 39.6% from US\$2.0 million in the year ended 30 June 2024 to US\$1.2 million in the year ended 30 June 2025. The decrease was principally due to the sale of two ATR 72-600 aircraft pursuant to the exercise of purchase options during the year.

Maintenance reserves income increased to US\$22.1 million in the year ended 30 June 2025 compared to US\$5.4 million in the year ended 30 June 2024. A review of forecasted maintenance events across the fleet resulted in adjustments to the expected timing of several major maintenance events to beyond the end date of the current leases. This is expected to result in lower maintenance reserve reimbursements during the current lease terms and is the major contributing factor to the increase in maintenance reserve income this year.

Other income

US\$ '000s	Year ended 30 June,	
	2025	2024
Foreign currency exchange gain	-	807
Claim recovery	682	443
Fees for late payment	1,364	1,828
Deposit released	-	350
Others	402	147
	2,448	3,575

Fees for late payment reduced by 25.4% from US\$1.8 million in the year ended 30 June 2024 to US\$1.4 million in the year ended 30 June 2025 due to a corresponding reduction in customer arrears.

Claim recoveries recognised in other income are the balance of distributions paid to creditors of Virgin Australia in excess of amounts allocated to trade receivables.

Foreign currency exchange gains which were reported in the year ended 30 June 2024 did not reoccur as the weakening US dollar caused exchange losses reported in other expenses in the year ended 30 June 2025.

Administrative expenses

US\$ '000s	Year ended 30 June,	
	2025	2024
Staff costs	5,682	5,487
Other administrative expenses	3,444	3,305
	9,126	8,792

Staff costs increased by 3.6% from US\$5.5 million in the year ended 30 June 2024 to US\$5.7 million in the year ended 30 June 2025 principally due to inflationary salary increments offset by lower charges for employee share warrants.

Other administrative expenses increased by 4.2% from US\$3.3 million in the year ended 30 June 2024 to US\$3.4 million in the year ended 30 June 2025 principally due to inflationary increases to audit and accounting costs and general office overheads.

Other operating income and expense items

US\$ '000s	Year ended 30 June,	
	2025	2024
Depreciation	(37,512)	(37,251)
Gain on derecognition of a finance lease	-	-
Gain/(loss) on disposal of aircraft	3,455	(2,915)
Unrealised (loss)/gain on aircraft purchase rights	(21,643)	46,886
Unrealised loss on equity investment	(1,630)	(490)
Reversal of/(impairment loss) on aircraft	4,831	(5,573)
Aircraft transition expenses	(244)	(2,607)
Reversal of expected credit losses	80	239
Legal and professional fees	(1,978)	(2,251)
Other expenses	(2,336)	-

Depreciation increased by 0.7% from US\$37.3 million to US\$37.5 million due to the addition of an Airbus A320-200 aircraft to the fleet in March 2025.

Two new ATR 72-600 aircraft were sold on delivery to an airline customer in the year generating gains on disposal of US\$3.5 million. Aviation terminated a lease of an ATR 72-500 aircraft to an Indian airline in the year ended 30 June 2024. The aircraft was repossessed from the airline and subsequently sold, generating a loss on sale of US\$2.9 million.

The Company's 24 aircraft purchase rights were revalued at 30 June 2025 using a Black-Scholes option pricing model. The principal factors leading to the recognition of a loss of US\$21.6 million (2024: US\$ 46.9 million gain) were a decrease in risk-free interest rates and a reduction in the time to expiry of the purchase rights.

The Company recorded an unrealised loss of US\$1.6 million on its holding of shares in Philippine Airlines, Inc. (2024: US\$0.5 million). The Company received these shares as part of

the settlement awarded to creditors in the bankruptcy restructuring of the airline in December 2021.

Previously recognised impairment losses of US\$4.8 million were reversed in the year ended 30 June 2025 due to firmer residual values used in the company's lease encumbered valuation model for aircraft. The market environment has been supportive for aircraft values recently due to strong demand for aircraft and constrained supply of new aircraft. Avation recognised US\$5.6 million of impairment losses in the year ended 30 June 2024.

Aircraft transition expenses of US\$0.2 million (2024: US\$2.6 million) represent repairs and maintenance expenditure on aircraft incurred during the transition of aircraft during the year. The Company expects transition expenses to remain low in future periods as all aircraft in the fleet are currently on lease.

The net reversal of expected credit losses of US\$0.1 million (2024: US\$0.2 million expense) primarily results from reduced rent arrears. Current trade receivables (excluding allowances for credit losses) were US\$6.3 million at 30 June 2025, reduced from US\$8.2 million at 30 June 2024.

Legal and professional fees reduced by 12.1% from US\$2.3 million in the year ended 30 June 2024 to US\$2.0 million in the year ended 30 June 2025 due to reduced transaction activity.

Other expenses of US\$2.3 million in the year ended 30 June 2025 represent foreign currency exchange losses on the group's Euro denominated bank loans.

Finance income

US\$ '000s	Year ended 30 June,	
	2025	2024
Interest income	4,706	6,009
Fair value gain on financial derivatives	-	-
Finance income from discounting non-current deposits to fair value	629	652
Gain on repurchase of unsecured notes	-	675
Gain on early full repayment of borrowings	960	2,507
	6,295	9,843

Interest income decreased in the year ended 30 June 2025 principally due to lower available rates for cash deposits and lower interest income on amounts due under a customer payment plan agreement which was fully repaid by 30 June 2025.

Avation generated a gain of US\$0.7 million in the year ended 30 June 2024 on the repurchase of US\$18.0 million of Avation Capital S.A. 8.25%/9.0% unsecured notes at a discount.

Gains on early repayment of borrowings of US\$1.0 million (2024: US\$2.5 million) arose on termination of interest rate swaps when seven aircraft loans were refinanced. As at the date of this announcement the company has six unencumbered aircraft.

Finance expenses

US\$ '000s	Year ended 30 June,	
	2025	2024
Interest expense on secured borrowings	17,033	20,047
Interest expense on unsecured notes	26,924	29,321
Amortisation of loan transaction costs	1,979	1,571
Amortisation of IFRS 9 gain on debt modification	13,885	10,709
Fair value loss on financial derivatives	1,188	405
Amortisation of interest expense on non-current borrowings	628	635
Loss on repurchase of unsecured notes	599	-
Others	225	327
	62,461	63,015

Interest expense on secured borrowings reduced by 15.0% to US\$17.0 million in the year ended 30 June 2025 from US\$20.0 million in the year ended 30 June 2024 as a result of net repayments of secured loans. Secured borrowings have been paid down by US\$16.2 million from US\$372.8 million at 30 June 2024 to US\$356.6 million at 30 June 2025.

Interest expense on unsecured notes reduced by 8.2% to US\$26.9 million in the year ended 30 June 2025 from US\$29.3 million in the year ended 30 June 2024 as a result of repurchases of unsecured notes. The company repurchased US\$21.6 million face value of Avation Capital S.A. 8.25%/9.0% unsecured notes during the year.

Interest expense on unsecured notes in the year ended 30 June 2024 also includes US\$4.3 million of non-cash interest paid in kind by increasing the face value of Avation Capital S.A. 8.25%/9.0% unsecured notes.

Amortisation of IFRS 9 gain on debt modification of US\$13.9 million (2024: US\$ 10.7 million) represents the non-cash accretion in the book value of Avation Capital S.A. 8.25%/9.0% unsecured notes resulting from the accounting treatment of the extension and changes to the terms of the notes agreed with noteholders in March 2021. The extension was accounted for as a substantial modification of a debt instrument in accordance with IFRS 9. The face value of Avation Capital S.A. 8.25%/9.0% unsecured notes outstanding as of 30 June 2025 is US\$310.0 million (30 June 2024: US\$331.6 million).

Dividend

The Board has declared an interim dividend of 1.0 US cents per share in respect of the financial year ended 30 June 2025. The timetable for the interim dividend is as follows:

Ex-dividend date: 16 October 2025

Record date: 17 October 2025

Payment date: 30 October 2025

Interim Management Statement

According to IATA, passenger air travel grew at 8.0% in the year to 30 April 2025. International travel continued to show strong momentum with 10.8% year-on-year growth in revenue passenger kilometres. A decline in air travel in the United States was more than offset by strong growth in other regions. In the Asia-Pacific region, where Avation's fleet and customer base is concentrated, revenue passenger kilometres grew 10.6% year-on-year.

At the same time, supply chain constraints continue to impact new aircraft deliveries. New aircraft deliveries are lagging 30% behind peak levels, leading to a record aircraft order backlog of around 17,000 aircraft.

This market backdrop has continued to support aircraft valuations and lease rates over the last year with Avation seeing increases in values and lease rates for both new and second-hand commercial aircraft.

Avation's fleet was fully utilised throughout the year ended 30 June 2025. The Company is now focussed on placing its ATR 72-600 orderbook with new customers and transitioning aircraft which are due to come off lease in the latter half of 2025 and first half of 2026 to new lessees. To this end the first two deliveries from Avation's ten aircraft orderbook have been placed with new airline customers in South Korea and Cambodia. These aircraft are currently scheduled for delivery in November 2025 and February 2026 respectively. The Company transitioned an ATR 72-600 aircraft to a six-year lease with new customer Clic Air in July 2025 and has signed a six-year lease with existing customer PNG Air for an aircraft scheduled to be redelivered by its existing lessee in the fourth quarter of 2025.

The Company will continue to focus on growing its fleet, transitioning aircraft scheduled for redelivery from expiring leases and identifying opportunities to place the remaining new ATR aircraft ordered in 2024.

Avation aims to gradually transition to a more sustainable, lower CO2 emissions aircraft fleet. Aircraft delivered from Avation's orderbook and exercised purchase rights will be fitted with the new Pratt and Whitney Canada PW127XT engine. The PW127XT engine promises 20% lower maintenance costs, extended time on wing, 3% lower fuel consumption and 5% more power compared with the current engine variant. The PW127XT engine is capable of operating with 50% SAF* and manufacturer expects to achieve certification to operate with 100% SAF before new fuel regulations planned for 2030. Net emissions of CO2 are expected to be substantially reduced when using SAF.

We also anticipate gradually trading out of older aircraft types and focussing on aircraft types such as the Airbus NEO and A220 series in addition to ATR turboprop aircraft. The Company's portfolio already includes a significant proportion of Airbus A220 and ATR 72 aircraft.

**Sustainable aviation fuel or SAF is the main term used by the aviation industry (including IATA and the International Civil Aviation Organization) to describe a non-conventional (non-fossil derived) aviation fuel. SAF is the preferred IATA term for this type of fuel although when other terms such as sustainable alternative fuel, sustainable alternative jet fuel, renewable jet fuel or biojet fuel are used, in general, the same intent is meant.*

Market Positioning

Avation's long-term strategy is to target growth and diversification by adding new airline customers, while maintaining a low average aircraft age and long remaining lease term metrics. Avation focuses on new and relatively new commercial passenger aircraft on long-term leases. In the short term the Company is considering further growth in its narrow body fleet.

Avation supports the transition of the aircraft industry towards aircraft capable of using SAF to produce lower CO2 emissions on a net basis. Reducing CO2 emissions is key to providing a sustainable future for the global aviation industry and in addressing climate-change risks.

The Company's business model involves rigorous investment criteria that seeks to mitigate the risks associated with the aircraft leasing sector. Avation will typically sell mid-life and older aircraft and redeploy capital to newer assets. This approach is intended to mitigate technology change risk, operational and financial risk, support sustained growth and deliver long-term shareholder value.

Avation will consider the acquisition or sale of individual or smaller portfolios of aircraft, based on prevailing market opportunities and consideration of risk and revenue concentrations.

Funding for aircraft acquisitions is traditionally sourced from capital markets, asset-backed lending, operational cash flows and disposals of aircraft. The ability to access acceptably priced funding is a key profit driver in aircraft leasing.

Principal risks factors facing the aircraft leasing industry include, but are not limited to, exposure to the airline industry and the risk of deterioration in the financial condition of airline customers, asset value risk driven by changing patterns of supply and demand and technological change,

operational risks including risks resulting from war, acts of terrorism and natural disasters, regulatory risks from changes to government regulations and tax laws and climate-change risks.

The Directors may seek to repurchase ordinary shares in the Company from time to time subject to the terms of a share buy-back mandate which expires at the conclusion of the next Annual General Meeting.

Results Conference Call

Avation's senior management team will host an investor update call on 2 October 2025, at 1:00 pm BST (UK) / 8:00 am EST (US) / 8:00 pm SGT (Singapore), to discuss the Company's financial results. Investors can participate in the call by using the following link:

<https://sparklive.lseg.com/Avation/events/4870afb6-d37d-4859-8135-af1d8c2c268d/avation-plc-full-year-results-call>

A replay of the broadcast will be made available on the Investor Relations page of the Avation PLC website.

Forward Looking Statements

This release contains certain "forward looking statements". Forward looking statements may be identified by words such as "expects," "intends," "initiate", "anticipates," "plans," "believes," "seeks," "estimates," "will," or words of similar meaning and include, but are not limited to, statements regarding the outlook for Avation's future business and financial performance. Forward looking statements are based on management's current expectations and assumptions, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual outcomes and results may differ materially due to global political, economic, business, competitive, market, regulatory and other factors and risks. Further information on the factors and risks that may affect Avation's business is included in Avation's regulatory announcements from time to time, including its Annual Report, Full Year Financial Results and Half Year Results announcements. Avation expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in its views or expectations, or otherwise.

Basis of presentation

These are not the company's statutory accounts. This announcement covers the results of Avation PLC for the year ended 30 June 2025, which have been subject to audit. The audit report issued was unqualified.

The Board of Directors approved this financial information on 1 October 2025.

All "US\$" amounts in this release are US Dollar amounts unless stated otherwise. Certain comparative amounts have been reclassified to conform with current year presentation.

-ENDS-

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Avation welcomes shareholder questions and comments and advises the email address is: investor@avation.net

More information on Avation is available at www.avation.net.

**AVATION PLC CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 US\$'000s	2024 US\$'000s
Continuing operations		
Revenue	110,099	92,397
Other income	2,448	3,575
	<u>112,547</u>	<u>95,972</u>
Depreciation	(37,512)	(37,251)
Gain/(loss) on disposal of aircraft	3,455	(2,915)
Unrealised (loss)/gain on aircraft purchase rights and pre-delivery aircraft deposits paid	(21,643)	46,886
Unrealised loss on equity investments	(1,630)	(490)
Reversal of/(impairment loss) on aircraft	4,831	(5,573)
Aircraft transition expenses	(244)	(2,607)
Reversal of expected credit losses	80	239
Administrative expenses	(9,126)	(8,792)
Legal and professional fees	(1,978)	(2,251)
Other expenses	(2,336)	-
Operating profit	<u>46,444</u>	<u>83,218</u>
Finance income	6,295	9,843
Finance expenses	(62,461)	(63,015)
(Loss)/profit before taxation	<u>(9,722)</u>	<u>30,046</u>
Taxation	2,006	(10,311)
(Loss)/profit from continuing operations	<u>(7,716)</u>	<u>19,735</u>
(Loss)/profit attributable to: Shareholders of Avation PLC	<u>(7,716)</u>	<u>19,735</u>
Earnings per share for (loss)/profit attributable to: Shareholders of Avation PLC		
<i>Basic earnings per share (US cents)</i>	(11.22)	27.85
<i>Diluted earnings per share (US cents)</i>	<u>(10.84)</u>	<u>27.71</u>

**AVATION PLC CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 US\$'000s	2024 US\$'000s
(Loss)/profit from continuing operations	(7,716)	19,735
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Net loss on cash flow hedge, net of tax	(10,140)	(4,568)
	(10,140)	(4,568)
<i>Items that may not be reclassified subsequently to profit or loss:</i>		
Revaluation gain /(loss) on property, plant and equipment, net of tax	14,815	(3,421)
Other comprehensive income, net of tax	4,675	(7,989)
Total comprehensive(loss)/income for the year	(3,041)	11,746
Total comprehensive (loss)/income attributable to: Shareholders of Avation PLC	(3,041)	11,746

AVATION PLC CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2025

	2025 US\$'000s	2024 US\$'000s
ASSETS		
Non-current assets		
Property, plant and equipment	725,134	791,420
Finance lease receivables	11,129	12,754
Trade and other receivables	1,005	939
Pre-delivery aircraft deposits paid	18,218	21,813
Derivative financial assets	836	8,096
Aircraft purchase rights	91,740	112,780
Lease incentive assets	4,831	7,756
Goodwill	1,902	1,902
	854,795	957,460
Current assets		
Finance lease receivables	1,734	28,644
Trade and other receivables	9,912	15,876
Pre-delivery aircraft deposits paid	10,960	8,520
Derivative financial assets	714	-
Investment in equity, fair value through profit or loss	9,115	10,745
Lease incentive assets	2,920	3,136
Restricted cash	80,831	94,379
Cash investment in fixed term bank deposits	1,042	-
Cash and cash equivalents	48,102	23,561
	165,330	184,861
Assets held for sale	81,810	-
	247,140	184,861
Total assets	1,101,935	1,142,321

**AVATION PLC CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2025**

	2025 US\$'000s	2024 US\$'000s
EQUITY AND LIABILITIES		
Equity		
Share capital	1,234	1,182
Share premium	79,447	70,120
Treasury shares	(16,003)	-
Merger reserve	6,715	6,715
Asset revaluation reserve	62,158	47,343
Capital reserve	8,876	8,876
Other reserves	(1,406)	11,210
Retained earnings	102,818	110,944
Equity attributable to shareholders of Avation PLC	243,839	256,390
Non-controlling interests	7	7
Total equity	243,846	256,397
Non-current liabilities		
Loans and borrowings	582,253	625,426
Trade and other payables	18,843	18,487
<i>Derivative</i> financial liabilities	3,142	2,037
Maintenance reserves	31,360	73,270
Deferred tax liabilities	31,637	34,047
	667,235	753,267
Current liabilities		
Loans and borrowings	70,084	49,668
Trade and other payables	19,595	18,920
Maintenance reserves	69,423	62,153
Income tax payable	1,314	1,916
	160,416	132,657
Liabilities associated with assets held for sale	30,438	-
	190,854	132,657
Total equity and liabilities	1,101,935	1,142,321

**AVATION PLC CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025**

	Attributable to shareholders of Avation PLC									Non-controlling interest	Total equity
	Share capital	Share premium	Treasury Shares	Merger reserve	Asset revaluation reserve	Capital reserve	Other reserves	Retained earnings	Total		
	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s
Balance at 1 July 2024	1,182	70,120	-	6,715	47,343	8,876	11,210	110,944	256,390	7	256,397
Loss for the year	-	-	-	-	-	-	-	(7,716)	(7,716)	-	(7,716)
Other comprehensive income	-	-	-	-	14,815	-	(10,140)	-	4,675	-	4,675
<i>Total comprehensive loss</i>	-	-	-	-	<i>14,815</i>	-	<i>(10,140)</i>	<i>(7,716)</i>	<i>(3,041)</i>	-	<i>(3,041)</i>
Issue of shares	52	9,327	-	-	-	-	(2,847)	-	6,532	-	6,532
Purchase of treasury shares	-	-	(16,003)	-	-	-	-	-	(16,003)	-	(16,003)
Share warrant expense	-	-	-	-	-	-	411	-	411	-	411
Dividend paid	-	-	-	-	-	-	-	(450)	(450)	-	(450)
<i>Total transactions with owners recognised directly in equity</i>	<i>52</i>	<i>9,327</i>	<i>(16,003)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(2,436)</i>	<i>(450)</i>	<i>(9,510)</i>	<i>-</i>	<i>(9,510)</i>
Expiry of share warrants	-	-	-	-	-	-	(40)	40	-	-	-
<i>Total others</i>	-	-	-	-	-	-	<i>(40)</i>	<i>40</i>	-	-	-
Balance at 30 June 2025	1,234	79,447	(16,003)	6,715	62,158	8,876	(1,406)	102,818	243,839	7	243,846

Capital reserve comprises acquisitions with non-controlling interests that do not result in a change of control.

Other reserves consists of capital redemption reserve, share warrant reserve, fair value reserve and foreign currency hedge reserve.

The merger reserve arose on acquisition of additional shares of the Company's subsidiary Capital Lease Aviation Limited through the allotment of ordinary shares in the year ended 30 June 2015. The merger reserve represents the difference between the fair value and the nominal value of the shares issued by the Company.

**AVATION PLC CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	Attributable to shareholders of Avation PLC									Non-controlling interest US\$'000s	Total equity US\$'000s
	Share capital	Share premium	Treasury Shares	Merger reserve	Asset revaluation reserve	Capital reserve	Other reserves	Retained earnings	Total		
	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s		
Balance at 1 July 2023 as previously reported	1,182	70,024	-	6,715	50,764	8,876	15,069	88,995	241,625	7	241,632
Effects of changes in accounting policies	-	-	-	-	-	-	-	2,300	2,300	-	2,300
Balance at 1 July 2023 as restated	1,182	70,024	-	6,715	50,764	8,876	15,069	91,295	243,925	7	243,932
Profit for the year	-	-	-	-	-	-	-	19,735	19,735	-	19,735
Other comprehensive income	-	-	-	-	(3,421)	-	(4,568)	-	(7,989)	-	(7,989)
<i>Total comprehensive income</i>	-	-	-	-	(3,421)	-	(4,568)	19,735	11,746	-	11,746
Issue of shares	1	96	-	-	-	-	(18)	-	79	-	79
Purchase of treasury shares	-	-	(95)	-	-	-	-	-	(95)	-	(95)
Cancellation of treasury shares	(1)	-	95	-	-	-	1	(95)	-	-	-
Share warrant expense	-	-	-	-	-	-	735	-	735	-	735
<i>Total transactions with owners recognised directly in equity</i>	-	96	-	-	-	-	718	(95)	719	-	719
Expiry of share warrants	-	-	-	-	-	-	(9)	9	-	-	-
<i>Total others</i>	-	-	-	-	-	-	(9)	9	-	-	-
Balance at 30 June 2024	1,182	70,120	-	6,715	47,343	8,876	11,210	110,944	256,390	7	256,397

Other reserves consists of capital redemption reserve, share warrant reserve and fair value reserve.

**AVATION PLC CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
30 JUNE 2025**

	2025 US\$'000s	2024 US\$'000s
Cash flows from operating activities:		
(Loss)/profit before income tax	(9,722)	30,046
Adjustments for:		
Amortisation of lease incentive asset	3,141	2,721
Depreciation expense	37,512	37,251
Depreciation of right-of-use assets	283	278
Reversal of expected credit losses	(80)	(239)
Finance income	(6,295)	(9,843)
Finance expense	62,461	63,015
(Gain)/loss on disposal of aircraft	(3,455)	2,915
Interest income from finance leases	(1,219)	(2,018)
(Reversal of)/impairment loss on aircraft	(4,831)	5,573
Maintenance reserves income	(22,086)	(5,351)
Share warrants expense	411	735
Foreign currency exchange loss/(gain)	2,834	(946)
Unrealised loss/(gain) on aircraft purchase rights and pre-delivery aircraft deposits paid	21,643	(46,886)
Unrealised loss on equity investments	1,630	490
Operating cash flows before working capital changes	82,227	77,741
Movement in working capital:		
Trade and other receivables and finance lease receivables	32,147	23,919
Pre-delivery aircraft deposits paid	(6,238)	(2,268)
Trade and other payables	2,625	325
Maintenance reserves	17,884	20,583
Cash from operations	128,645	120,300
Finance income received	7,831	7,909
Finance expense paid	(43,487)	(45,724)
Income tax paid	(1,486)	(916)
Net cash from operating activities	91,503	81,569
Cash flows from investing activities:		
Cash investment in fixed term bank deposits	(1,042)	1,225
Purchase of property, plant and equipment	(63,249)	(5)
Proceeds from disposal of aircraft	39,556	11,989
Net cash (used in)/from investing activities	(24,735)	13,209
Cash flows from financing activities:		
Net proceeds from issuance of ordinary shares	6,532	79
Purchase of treasury shares	(16,003)	(95)
Dividend paid	(450)	-
Decrease/(increase) of restricted cash balances	13,548	(3,515)
Proceeds from loans and borrowings, net of transactions costs	109,146	29,098
Repayment of loans and borrowings	(155,000)	(121,600)
Net cash used in financing activities	(42,227)	(96,033)
Net increase/(decrease) in cash and cash equivalents	24,541	(1,255)
Cash and cash equivalents at beginning of year	23,561	24,816
Cash and cash equivalents at end of year	48,102	23,561