Via RNS and SGXNET

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

TRADING UPDATE

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company, provides the following trading update, as at 13 July 2026:

TWENTIETH ANNIVERSARY

Avation celebrated its twentieth anniversary on 11 July 2026.

Over the past two decades, the Company has signed 92 aircraft leases with 38 airlines across 28 countries, establishing a diversified portfolio of airline customers and regional exposure. The Company has acquired 78 aircraft with an aggregate value in excess of US$2 billion and sold 45 aircraft for aggregate proceeds of more than US$1 billion, demonstrating its ability to actively manage and realise value from its fleet.

Avation was established in 2006 via an airline share dividend spin-off. Through the subsequent disciplined use of both secured and unsecured debt financing, together with consistent profitability and growth in aircraft values, the Company had grown shareholders' equity to US$244 million by the 30 June 2025 audited financial results. This milestone reflects twenty years of disciplined capital allocation, long-term customer relationships and a resilient business model, providing a strong foundation for the Company's continued growth. The Company's near-term vision is to expand its fleet portfolio and revenue base, and it is deeply grateful for the long-term support of all its stakeholders.

MARKET

According to the International Air Transport Association (IATA), despite recent geopolitical disruption, passenger demand in the Asia-Pacific region, where the majority of Avation’s airline customers are based, is forecast to grow by 5.1% in 2026. The Asia-Pacific region expected to account for more than half of global passenger traffic growth.

At the same time, supply chain constraints continue to delay new aircraft deliveries, resulting in significant order backlogs and constrained aircraft availability. This market backdrop has continued to support aircraft valuations and lease rates, with Avation experiencing increases in aircraft values and strong lease rates across its portfolio.

FLEET

Avation's fleet currently comprises 33 aircraft leased to 17 airlines across 17 countries. The fleet consists of 13 narrowbody jet aircraft, 19 ATR turboprop aircraft and one widebody aircraft, with narrowbody aircraft representing approximately 59% of the fleet by book value as at 30 June 2026.

Following the announcement on 8 July 2026 of leases for two ATR 72-600 aircraft to Finnair, Avation's fleet is now 100% utilised, with total unearned contracted lease revenue of approximately US$321 million and a weighted average remaining lease term of 4.1 years.

Since 30 June 2025, Avation has delivered and commenced leases for two new ATR 72-600 aircraft to airlines in South Korea and Cambodia. The Company expects to deliver a further three ATR 72-600 aircraft to customers before the end of calendar year 2026, continuing to grow its regional aircraft portfolio.

In addition, Avation has transitioned seven ATR 72-600 aircraft to five airlines since 30 June 2025, including the two aircraft placed on lease with Finnair as announced in July 2026.

ORDERBOOK AND PURCHASE RIGHTS

Avation has an orderbook of new aircraft with the leading passenger turboprop manufacturer, ATR, under its March 2011 purchase contract which has been extended and amended from time to time. Avation has converted five of its purchase rights into orders for ATR 72-600 aircraft in 2026 and now has 13 ATR 72-600 aircraft on firm order, scheduled for delivery through to the fourth quarter of 2029.

In addition, Avation holds purchase rights over a further 19 ATR 72-600 aircraft for delivery through to June 2034. Given the continued supply constraints affecting new aircraft deliveries and the strength of demand for regional aircraft, these purchase rights provide the Company with valuable fleet flexibility and access to aircraft at pre-agreed pricing with a 2011 establishment base.

DEBT AND LIQUIDITY

Avation has continued to strengthen its balance sheet through ongoing deleveraging. During the eleven-month period ended 31 May 2026, the Company repaid US$130 million of secured borrowings (before the effect of foreign exchange movements) and now has 10 unencumbered aircraft within its portfolio. In November 2025, Avation successfully refinanced its unsecured debt through the issuance of US$300 million of Senior 8.5% Notes maturing in 2031.

As at the date of this announcement, the Company's unaudited cash balances total approximately US$105 million.

Since 30 June 2025, the Company has repurchased more than 8 million ordinary shares at prices ranging from 133 pence to 160 pence per share. There are currently net 59,855,301 ordinary shares in issue excluding treasury shares held by the Company.

Avation's Executive Chairman, Jeff Chatfield, said: "Over the past 20 years, Avation has built a resilient aircraft leasing platform supported by long-term airline relationships, shareholders, bondholders, bankers, brokers and underpinned by disciplined capital allocation. Our current vision includes further airline diversification and growth in the fleet and revenue base. Despite geopolitical uncertainty during 2026, the Company has continued to perform in line with expectations, successfully refinancing its bond in November 2025 while continuing to expand its ATR 72-600 portfolio through new deliveries, firm commitments and valuable purchase rights that support the Company's growth over the coming years. We are also evaluating selective opportunities to acquire additional narrowbody aircraft in the secondary market. Trading as at 30 June 2026 remains consistent with management’s outlook."

-ENDS-

Enquiries:
Avation – Jeff Chatfield, Executive Chairman

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 6252 2077

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.