



avation PLC

Bond Ticker LU: AVTCAP
Equity Ticker LSE: AVAP

Half Year 2022 Results

3 March 2022

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Important Notice

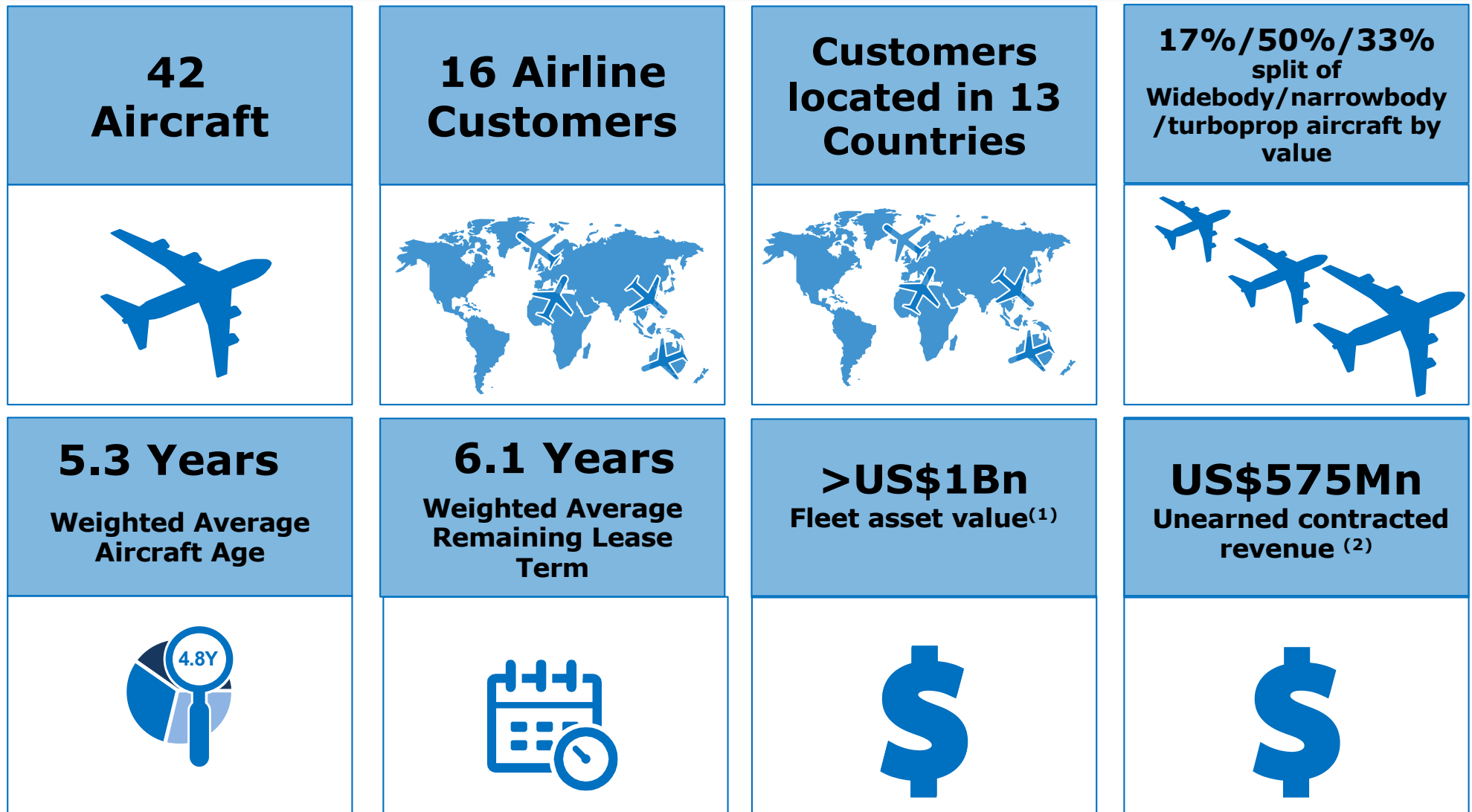
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Overview

Snapshot of Avation as at 31 December 2021 **ava**tion PLC

Diversified Fleet and Customer Base with Strong Metrics



1. Includes property, plant and equipment, assets held for sale and finance lease receivables as at 31 December 2021.









2. Lease rentals receivable under non-cancellable operating leases.

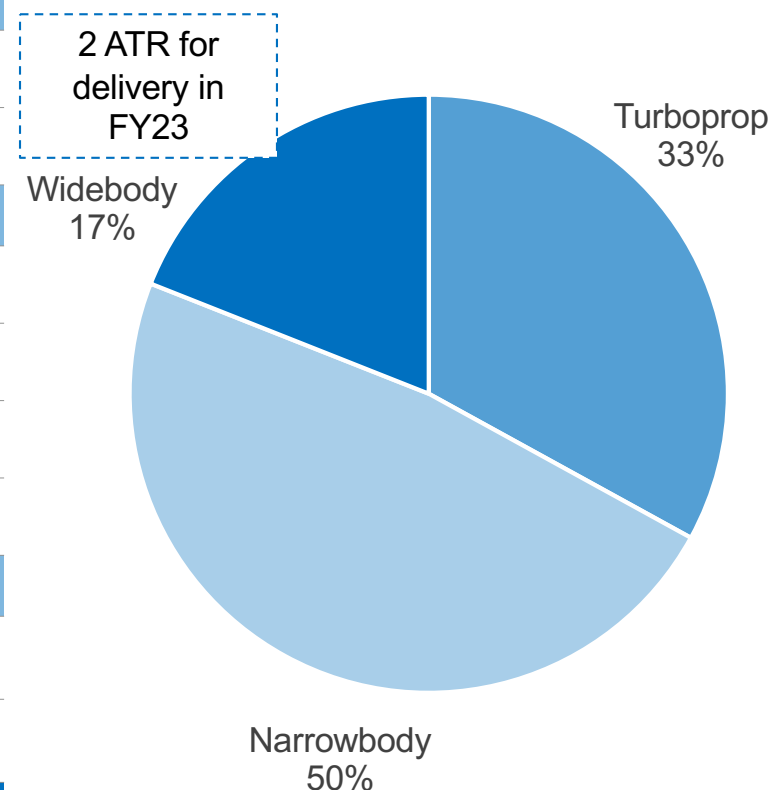
Attractive Aircraft Portfolio (31 Dec 2021)

Popular aircraft with low average age

Balanced Fleet with Orderbook and Purchase Rights to Retain Expansion Flexibility

By Aircraft Value

Aircraft Type	Fleet	Orders	Purchase Rights
Turboprop Aircraft			
ATR 72-600 	21	2	28
ATR 72-500 	5	-	-
Narrowbody Aircraft			
A321-200 	6	-	-
B737-800 	1	-	-
A320-200 	2	-	-
A220-300 	5	-	-
Widebody Aircraft			
A330-300 	1	-	-
B777-300ER 	1	-	-
Total	42	2	28



Diversified fleet consisting of 17% widebody, 50% narrowbody and 33% turboprop aircraft by value

Airline Customers

16 Airline Customers in 13 Countries

Customer/Aircraft

- EVA - A330
- PAL - 777
- VietJet - 6 x A321
- AirBaltic - 5 x A220
- easyJet - A320
- Air India - 2 x ATR72
- Cebu - ATR72
- Braathens - 2 x ATR72
- Fiji - ATR72
- Mandarin - 3 x ATR72
- DAT - 2 x ATR72
- Hevilift - 3 x ATR72
- GMA - ATR72
- USB - 2 x ATR72
- Flybig - ATR72
- TBA - A320
- Aegean - 3 x ATR (sold)
- Remarketing or selling - 5 x ATR, 737



HY2022 Results

Half Year 2022 Summary

Total Income

US\$60.1 million
(5%) YoY

Revenue

US\$57.9 million
(6%) YoY

Operating Profit

US\$18.8 million
154% YoY

Total (Loss) after Tax

(US\$15.3) million
75% YoY

Fleet Assets⁽¹⁾

US\$1.0 billion
(7%) since 30 June 2021

Weighted Average Cost of Debt⁽²⁾

5.4%
FY 2021 : 5.4%

Earnings per Share

(US 22.0) cents
HY2021: (US 97.9) cents

NAV per Share

£1.64
FY2021: £1.64

1. PP&E, assets held for sale and finance lease receivables
2. Weighted average as at 31 December 2021.

Aircraft Sales

- Sold Airbus A220-300 in October
- Sold Airbus A321-200 in November
- Agreement to sell 3 ex-Virgin Australia ATR aircraft to Aegean Airlines

Aircraft Leases

- Leases extended on 2 Hevilift ATR72-600 aircraft
- Lease signed and aircraft delivered for 3rd Hevilift aircraft
- PAL restructuring finalized with the airline retaining the Boeing 777-300ER

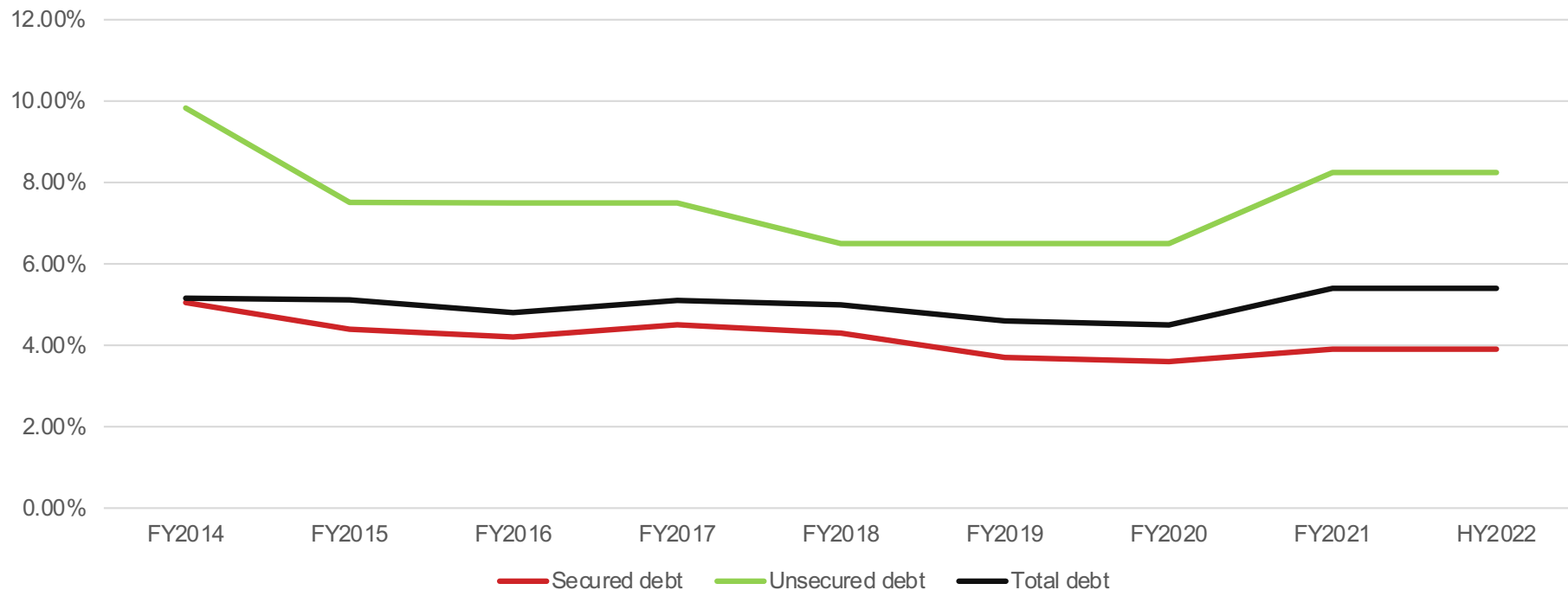
Aircraft transitions

- Boeing 737-800 returned, remarketing commenced
- 2 ATR72-600 returned and remarketed for sale or lease
- Airbus A320 returned and transitioned

Debt Analysis

	HY2021	FY2021
Net Indebtedness (US\$ million)	851.1	922.6
Weighted Average Cost of Debt	5.4%	5.4%
Weighted Average Cost of Secured Debt	4.0%	3.9%
Proportion of Fixed/Hedged Interest Rate Debt	89.0%	90.9%
Net Debt/Assets	70.5%	71.9%

Cost of Debt



Key Ratios

Comparative Ratios	HY2022	FY2021
Net asset value per share (A)	£1.64	£1.64
Lease yield(B)	10.3%	10.1%
Admin expense (ex warrants)/Revenue (C)	10.1%	8.8%
Credit Ratios		
Debt/Equity (D)	5.7	6.0
Net Debt/EBITDA	8.7	12.5
Debt/Total Assets (E)	73.1%	73.9%
EBITDA/Interest Expense	1.5	1.4

A. Net asset value per share = Equity/Shares in Issue (GBP:USD = 1.35 at 31 December 2021)(FY2021: 1.38)

B. Lease revenue/Average fleet assets

C. Administrative expense less warrant expense

D. Net Debt/EBITDA (EBITDA = Profit before taxation + Finance expenses + Depreciation + Impairment)

E. Total Debt/Total Assets

Liquidity Update

	HY2022	FY2021
Total cash	\$120.8m	\$122.5m
Unrestricted	\$31.3m	\$25.1m
Restricted	\$89.5m	\$97.4m
Finance lease receivables	\$66.2m	\$50.0m
Current	\$7.0m	\$4.1m
Non-current	\$59.2m	\$45.8m
Unencumbered aircraft	5	3
Turboprop	4 ATR72	ATR72
Narrowbody	B737-800	A321-200 B737-800

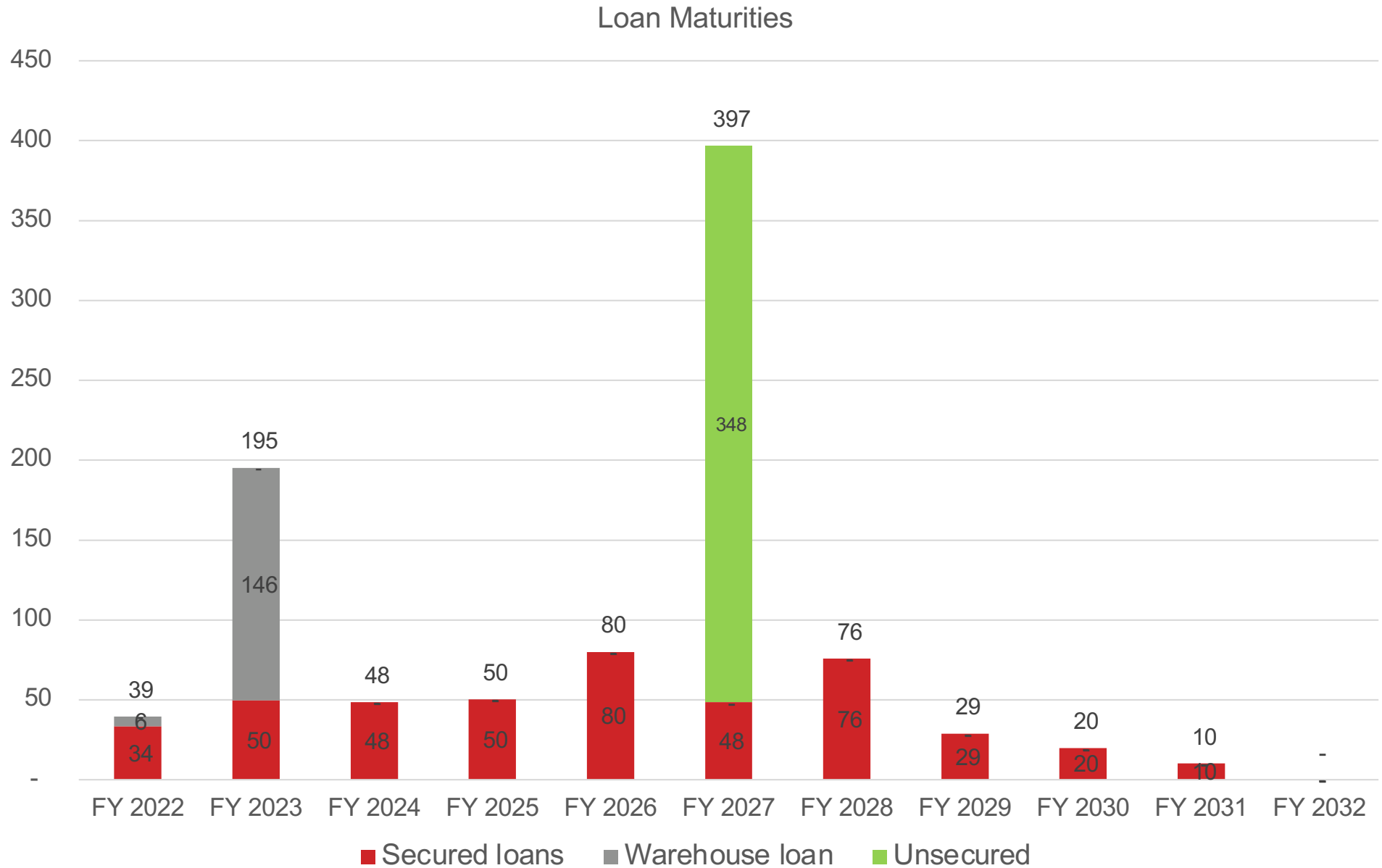
Maturities and loan covenants:

- Loan maturities typically match the remaining lease durations.

Unsecured Bonds:

- \$343.8m 6.5% (plus 2.5% PIK or 1.75% cash interest) unsecured notes maturity in Oct 2026.
- Avation has access to equity markets and expects to sell underutilised aircraft provide further liquidity.

Liability Structure & Loan Maturities *avation* PLC



COVID Update and the Pathway Forward

Airline Customer Support

- Support agreements with 14 of 19 airline customers
- Rent deferred by airlines totals \$25.9 million

Support from Senior Lenders

- Banks have agreed to reschedule \$35.2 million of loan amortisation

Support from Bondholders

- Extended maturity of unsecured bonds to October 2026

Positioned for recovery and growth

Cash and liquidity have been preserved

Further cash from aircraft sales and debtors

Operational efficiency returning to fleet

Airline traffic returning to pre-COVID levels

Positioned for recovery and growth

Question & Answer Section

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