

Via RNS and SGXNET

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

TRANSITION OF AIRCRAFT LEASES AND SALES

SINGAPORE – 19 JUNE 2020 - Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company advises that it has entered into commercial arrangements in respect of five aircraft that were on lease to Virgin Australia, which entered administration on 21 April.

Avation has entered into agreements to lease two of the former Virgin Australia ATR 72-500s to another commercial airline in Australia, until the end of 2021, at current market lease rates.

Avation has signed a conditional letter of intent for one of the former Virgin Australia ATR 72-500 aircraft with an airline customer for an operating lease period of five years at current market rates.

Furthermore, the company has entered into finance leases for the sale its last two remaining Fokker 100 aircraft over the period to September 2020 at a price 6% above book value.

Jeff Chatfield, Executive Chairman of Avation, said: “We are optimistic that Virgin Australia will be sold by the Administrator and that the eventual buyer should see the value in maintaining and indeed growing the regional network using Avation’s remaining ATR 72-600s as a part of the future business. We feel it prudent to mitigate our overall risk by selling down and transitioning certain of the aircraft given the uncertainty that surrounds the present COVID-19 environment.”

Jeff Chatfield, Executive Chairman went further to say “Given this unusual and disrupted environment, Avation is pleased and grateful that its marketing team was able to establish a lease with new client.”

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

Notes to Editors:

Avation PLC is an aircraft leasing company headquartered in Singapore which owns and manages a fleet of commercial passenger aircraft leased to airlines around the world.

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