

9m 2024 RESULTS

Jonas Janukenas

Chief Executive Officer

Robertas Cipkus

Chief Financial Officer

November 2024



Avia Solutions Group Overview



ASG is a global B2B shared services company, improving operations and margins of passenger and cargo aviation clients, using ASG's aircraft, maintenance, pilots, licenses and support network



One of the world's largest providers of flexible outsourced capacity solutions (including charter capabilities) for passenger and cargo aviation



ASG has two main service offerings within aviation: Logistics and Distribution Services and Support Services



ASG's Logistics and Distribution Services offer a compelling answer to the toughest problems in aviation – seasonality and high fixed costs



ASG's Support Services offer clients integrated solutions and support ASG's core Logistics and Distribution Services segment

€2.1bn

9m 2024 Revenue

11

*Air Operator
Certificates*

221

Aircraft in Network

500+

*Maintenance, Repair &
Overhaul Licenses*

>2,000

Customers

ASG Offers Comprehensive Solutions

Mission-Critical Aviation Services and Operational Resilience Underpin Comprehensive Customer Value Proposition



Logistics and Distribution Services

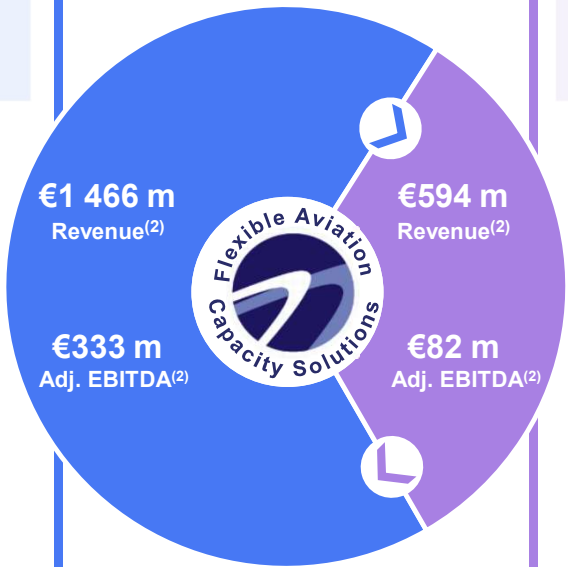
One of the world's largest providers of flexible outsourced capacity solutions for commercial aviation

- Passenger and Cargo Wet Lease⁽¹⁾
- Charters
- Cargo Solutions



Key Group Figures

Revenue: **€2 057 m**
Adj. EBITDA: **€407 m**



Support Services

Comprehensive suite of complementary support services offering clients integrated solutions and supporting core capacity provision

- Aircraft Maintenance, Repair and Overhaul (MRO)
- Ground Support Services
- Aviation Training and Recruitment



9m 2024 Revenue geography by clients:

Europe – 55.3%;
Asia – 28.1%;
Americas – 11.1%;
Africa – 3.3%;
Other – 2.2%.

9m 2024 Human capital spread by geography:

Europe – 80.3%;
Asia – 15.4%;
Australia and pacific islands – 2.7%;
Americas – 1.5%;
Other – 0.1%.

Notes:

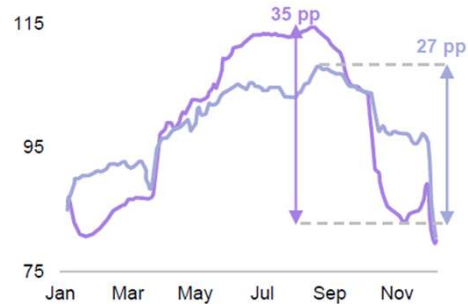
1. Leasing of an aircraft including crew, maintenance and insurance to lessee
2. Divisional figures presented before intra-group eliminations as of H1 2024

Global Airlines are Mired in Seasonality Challenges, which ASG Addresses

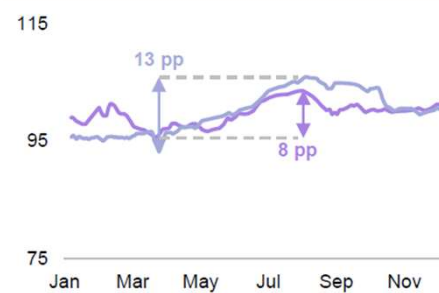
Seasonality is Compounding Across Regions...

Daily Scheduled Seats (%)⁽¹⁾

Europe⁽²⁾



Asia Pacific



North America



Latin America



Notes:

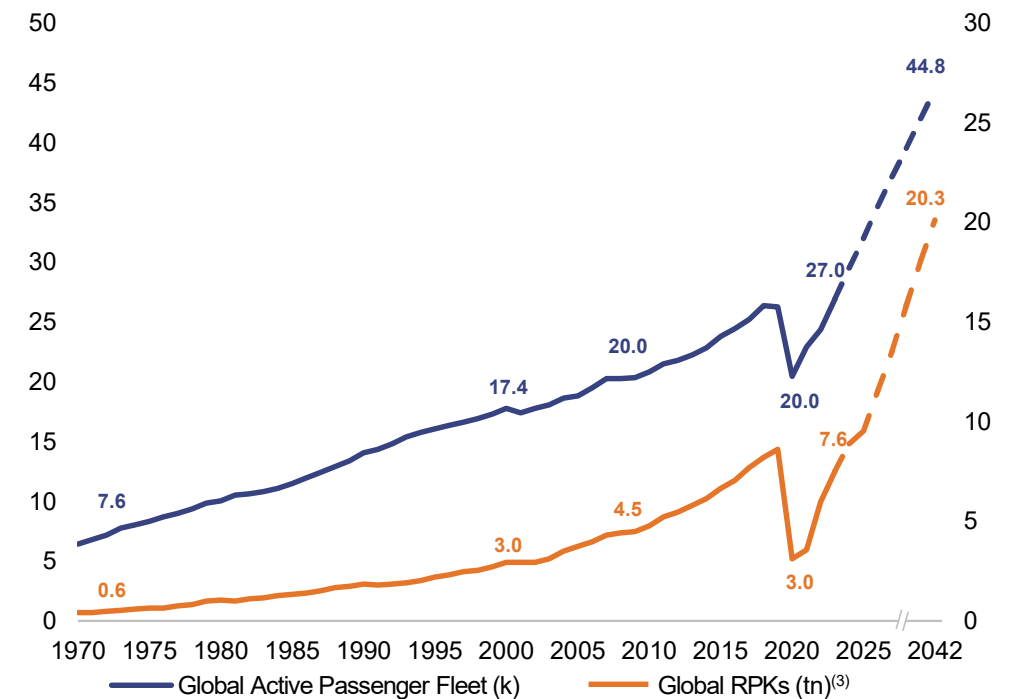
1. Indexed to median daily across the year

2. Europe includes EU 27, UK, Norway and Switzerland
3. Revenue Passenger Kilometres

...and is Only Going to Get Worse as Commercial Aviation Accelerates its Ascend

Global Active Passenger Fleet (k)

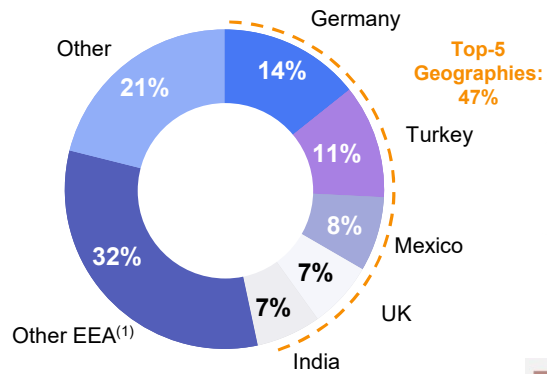
Global RPKs⁽³⁾ (tn)



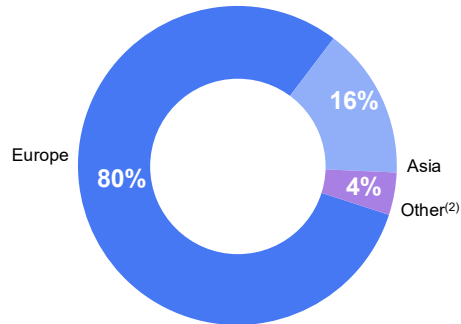
Extensive Global Infrastructure Supports Highly Flexible Business Model

Entrenched Foothold across Leading Aviation Markets – 100+ Physical Sites across 46 Countries and 11 Air Operator Certificates (AOCs)

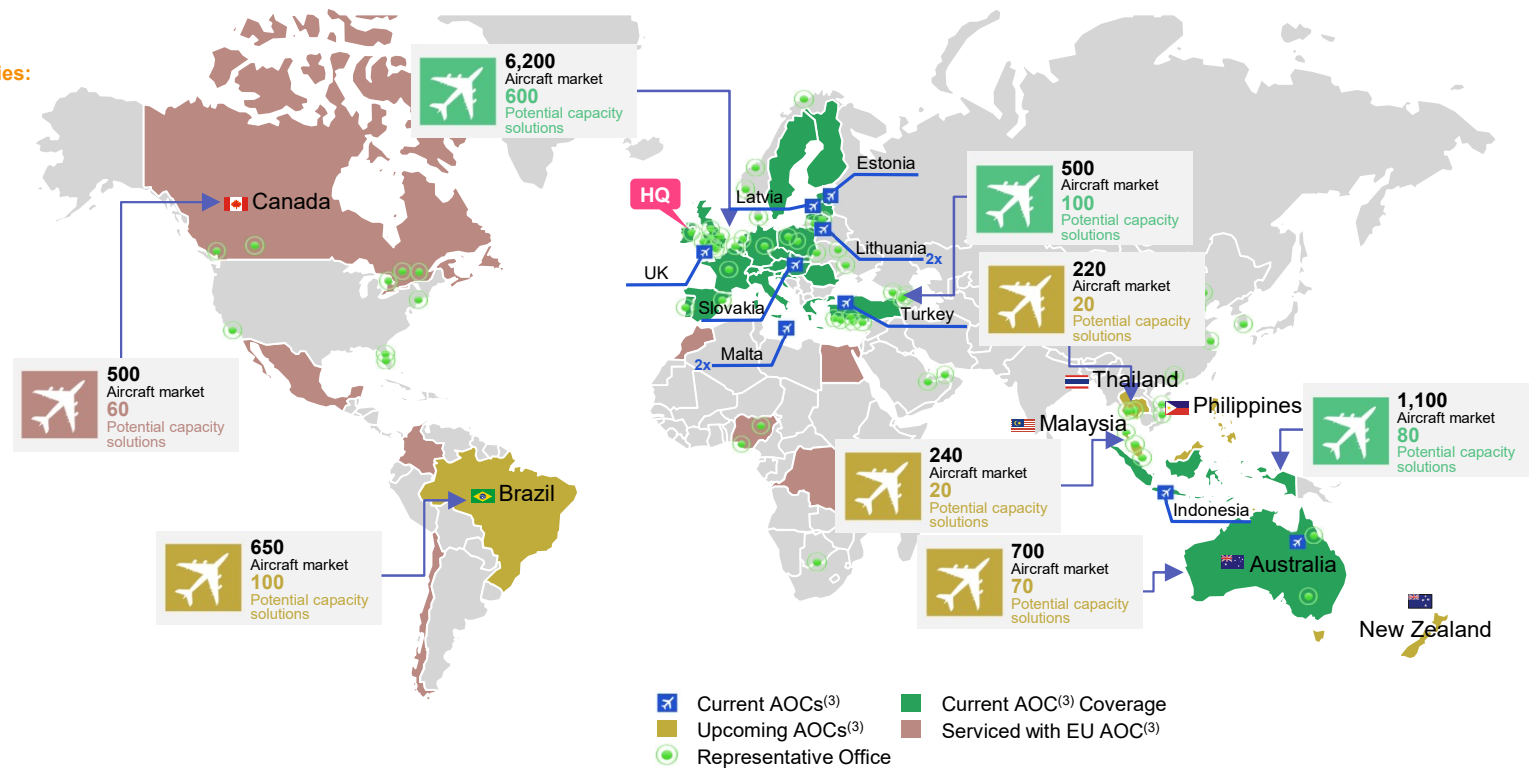
9m 2024 Revenue Breakdown



9m 2024 Employee Breakdown



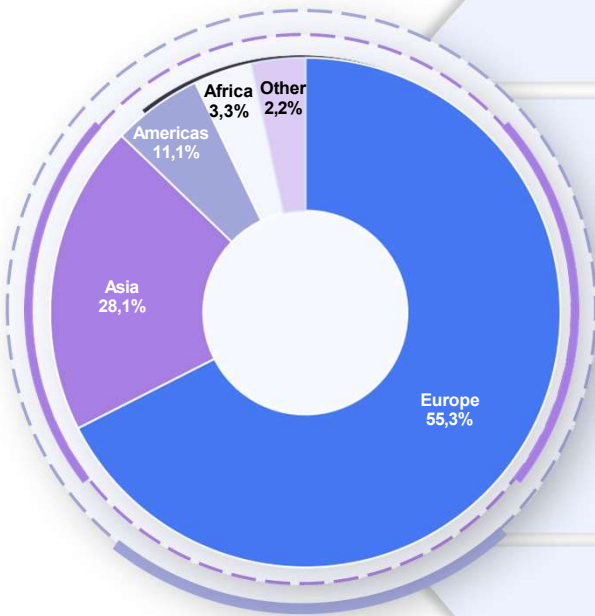
Notes:
 1. Includes Hungary, Netherlands, Belgium, Luxembourg, Norway, Estonia, Poland, France, Lithuania
 2. Includes Americas, Australia and Pacific Islands and rest of world
 3. Air Operator Certificates



Solution of Choice to a Diversified Global Customer Base

Serving >2,000 Customers Where No Customer Contributes >6% Towards Group Revenue⁽¹⁾

Geographic Diversity of Clients
(% of 9m 2024 Revenue)



Ground Handling, Fueling & Logistics	
ACMI / Shared Capacity / Passenger Charter Flights	
Maintenance, Repair and Overhaul & Spare Parts	
Cargo-Charter Brokers	



Notes:
1. Based on 9m 2024 revenues

Operated by Highly Experienced Management Team and Supported by Leading Investors

Highly Experienced Founder-Led Board of Directors



Gediminas Ziemelis
Founder of Avia Solutions Group
Chairman of the Board of Directors
• 18+ years at ASG



Jonas Janukenas
CEO of Avia Solutions Group
• 7+ years at ASG



Zilvinas Lapinskas
CEO of FL Technics⁽²⁾
• 11+ years at ASG



Linas Dovydenas
CCO of Avia Solutions Group
• 17+ years at ASG

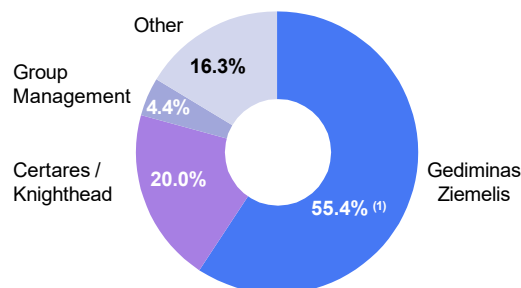


Pascal Picano
Aviation industry expert with 25+ years of experience
MD & CMO at Carlyle Aviation Partners



Tom Klein
Executive Vice-Chairman of the Board
Senior Managing Director of Certares
Former CEO and President of Sabre Inc

Well-Aligned Shareholders



Source: Annual Reports, Certares website, Aum13F website

Notes:

1. UBO share % as a natural person
2. ASG subsidiary providing maintenance, repair and overhaul (MRO) service
3. Represents all travel-related investments made by Certares since inception in 2012 through 31 December 2023. Count excludes Global Blue Holdings AG, Guardian Alarm, McClaren Group and Singer Vehicle Design, all of which are non-travel investments
4. Represents all travel-related investments held by Knighthead Capital Management, LLC per latest available data

Strategic & Financial Backing of Travel Sector Leader

Certares

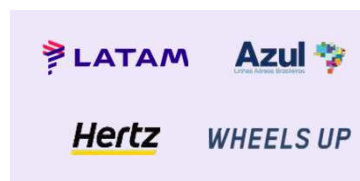


AUM (\$bn)
As of 31 March 2023

Investments (#)

Representative Investments
As of 31 December 2023

9.9	33 ⁽³⁾
13.4	29 ⁽⁴⁾











Business Outlook



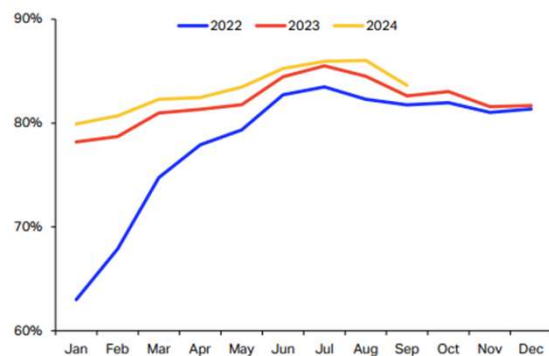
KEY HIGHLIGHTS

-  Group's revenue grew by 25%, reaching €2 057 m. The growth was primarily driven by increase in passenger flight volumes, especially from operations in Asia and Latin America
-  Group's EBITDA increased by 29% to €407 m reflecting previous investments into fleet capacity as well as strategic expansion in new markets
-  Due to poor performance of the narrow-body ACMI cargo sub-segment (€44 m effect in 9 months), the opening of new AOCs (€18 m effect in 9 months) and failure of major external MRO provider to provide timely maintenance for our ACMI fleet (€25 m effect in 9 months), the Group was prevented from exploiting the full potential for profitability growth in 2024. By addressing those challenges this year, much stronger profitability is expected in 2025.
-  In response to the growing demand for fuel efficient aircraft, Group has ordered 40 new 737-MAX with delivery window starting in 2030. The plan is to fund acquisition by pre-delivery payment (PDP) starting in 2028 and a sale-leaseback financing structure after the aircraft delivery.
-  In 2024, shareholders showed their confidence in the company by converting €300 m of preferred shares into common stock
-  In Q3, the Group expanded its fleet by 7 aircraft and continued investing in the growth of ACMI services in Australia, Brazil, the Philippines, Indonesia, Thailand, and Malaysia.

PASSENGER MARKET ANALYSIS

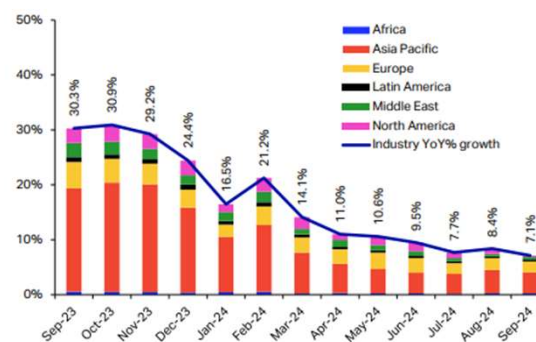
- Industry total Revenue Passenger-Kilometer in September grew 7.1% year-on-year (YoY). Available Seat-Kilometer rose 5,8% (YoY).
- The industry-wide passenger load factor (PLF) reached 83.6% in September, 2.0 ppt higher than the previous year. The PLF is consistently above the levels measured in previous years, hinting at higher demand for air travel.
- Air travel demand growth is expected to maintain a positive trend, as indicated by ticket sales. The latest data suggest an increase of 7.4% (YoY) in ticket sales volumes for travel in October and November.

Industry PLF, %share of ASK



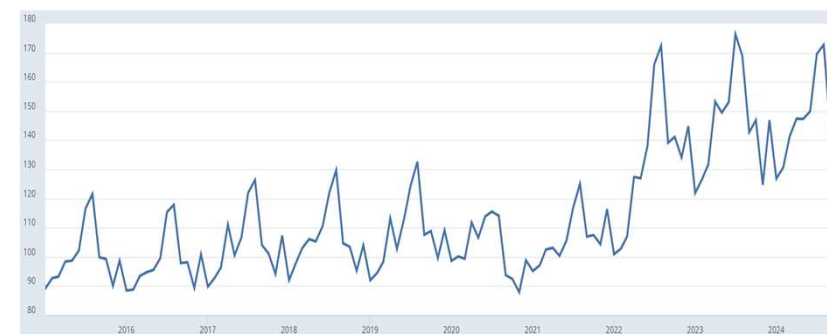
Sources: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Regional contribution to industry annual total RPK growth



Sources: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Harmonized Index of Consumer Prices: Passenger Transport by Air for Euro area

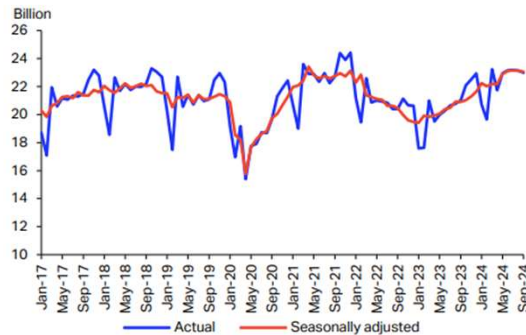


Sources: IATA Economics, IATA Monthly Statistics, Eurostat

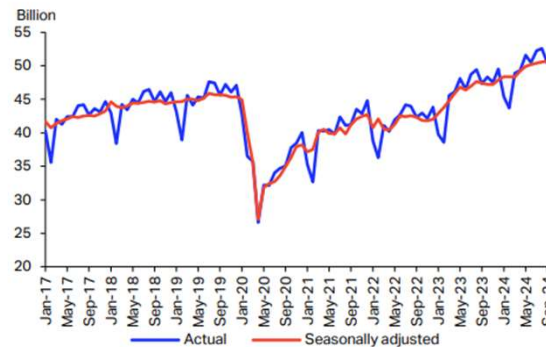
GLOBAL CARGO SECTOR

- Global Cargo Tonne-Kilometers saw a 9.4% expansion year-on-year (YoY) in September, delivering the 14th consecutive month of demand growth.
- On the supply side, industry-wide Available Cargo Tonne-Kilometers saw a 6.4% annual increase in September.
- Despite the increase in air cargo demand, freighter aircraft have not significantly benefitted due to growing passenger aircraft belly hold capacity, leading to a greater number of freighters being parked or stored. This is particularly evident in the cargo narrow-body market segment, as opposed to the wide-body segment.

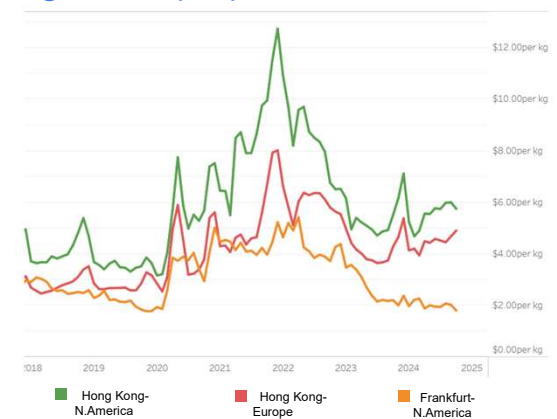
Cargo-tonne kilometres (CTKs) levels



Available cargo tonne-kilometres (ACTKs)



Freight Index (BAI)*

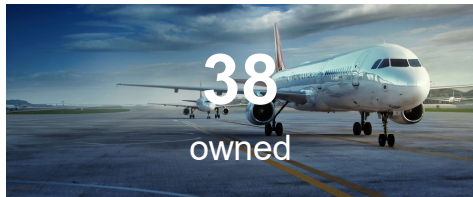
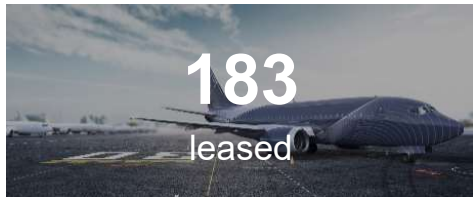


Sources: IATA Economics, IATA Monthly Statistics, Baltic exchange

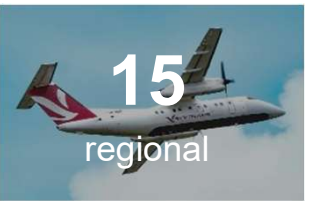
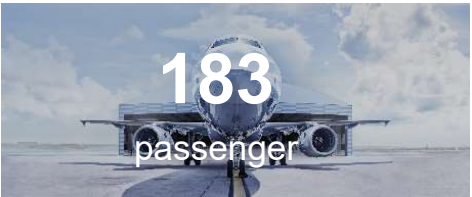
* - Baltic Exchange Air Freight Index (BAI)

SCALING THE BUSINESS TO BEST SERVE NEW AND EXISTING CLIENTS

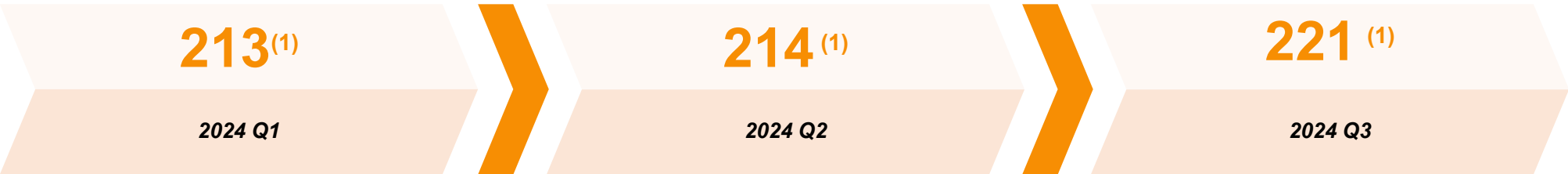
Fleet Profile



Breakdown by Aircraft Type



Fleet Growth Over Time



Note:
1. Including 5 LOI in March 2024; 5 LOI in June 2024; 8 LOI in September 2024

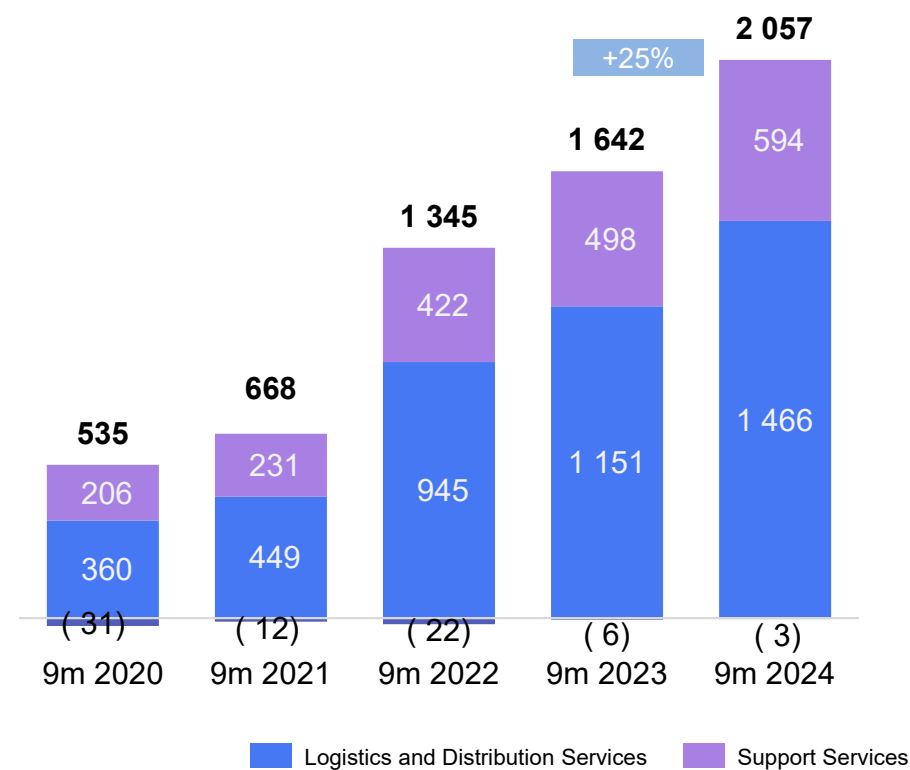


Financial Overview

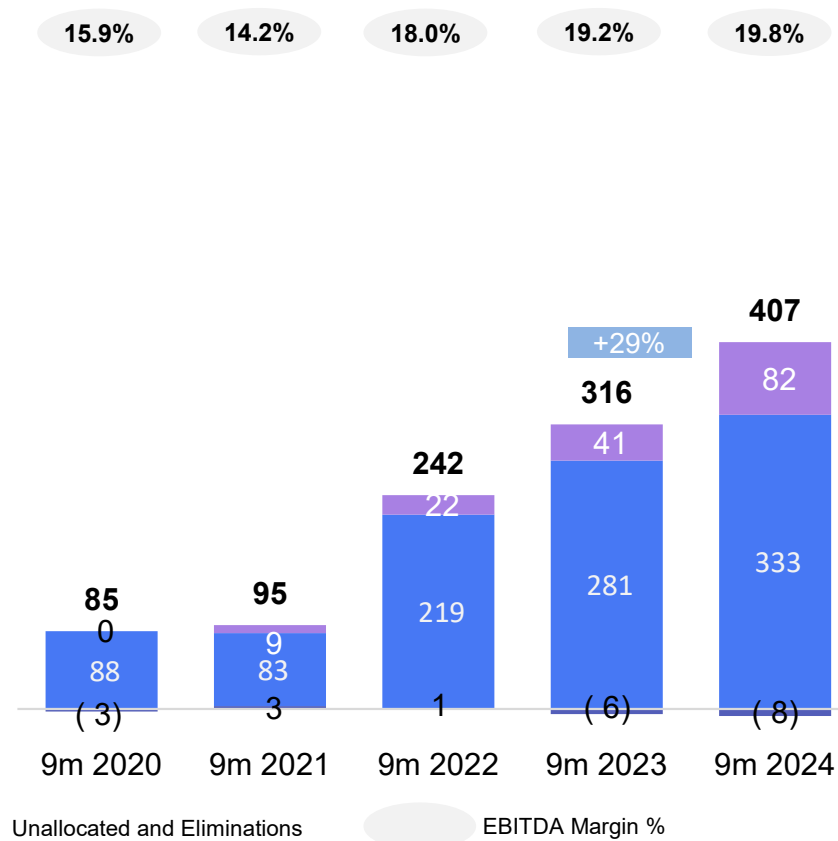


9M 2024 KEY FINANCIAL HIGHLIGHTS

Group Revenue € m

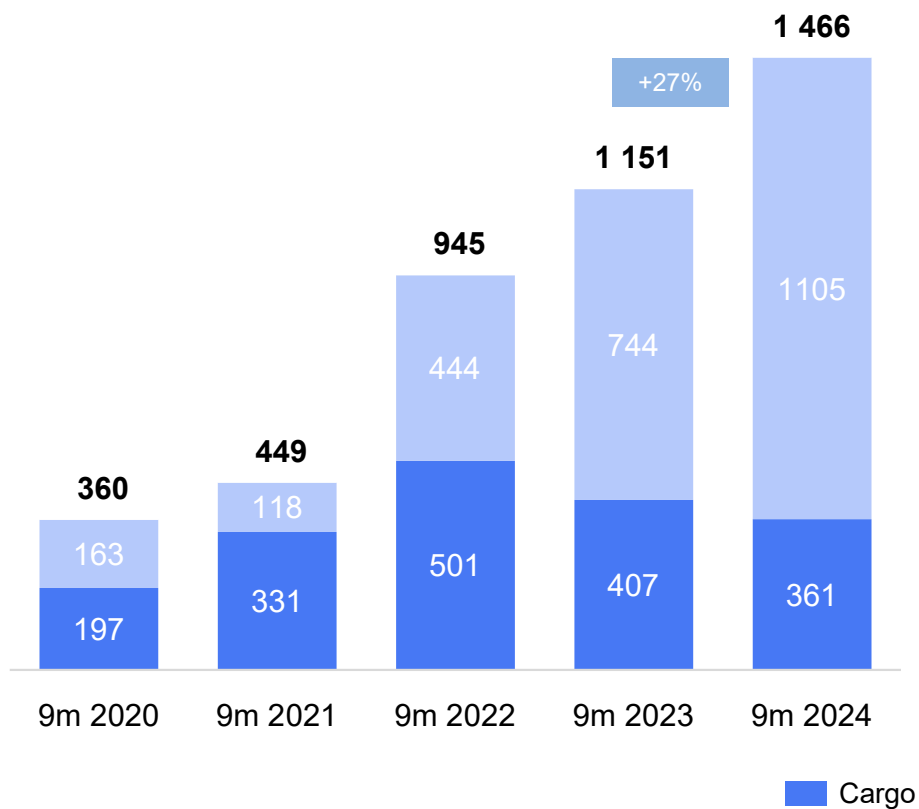


Group Adj. EBITDA € m

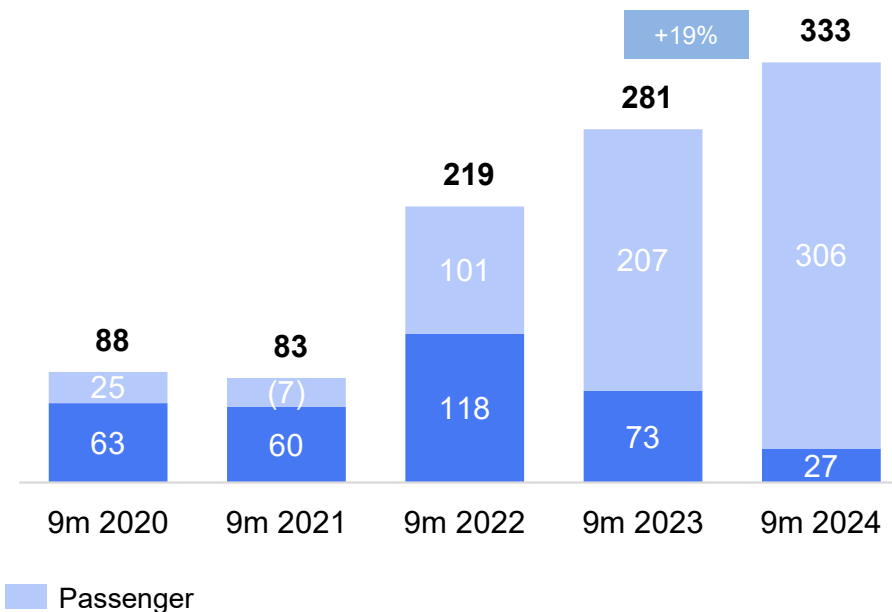


LOGISTICS & DISTRIBUTION

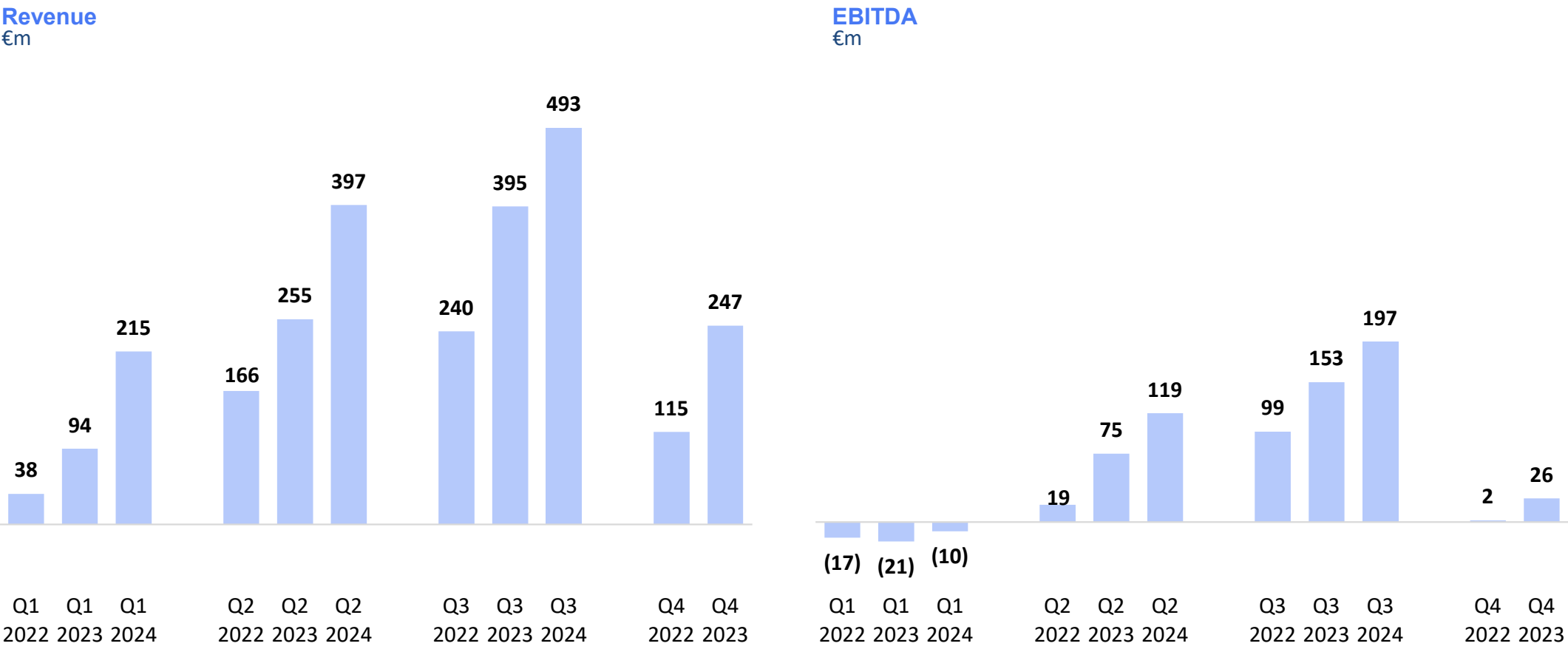
Logistics and Distribution Services Revenue 9m
€ m



Logistics and Distribution Services Adj. EBITDA 9m
€ m



PASSENGER ACMI EBITDA DEVELOPMENT

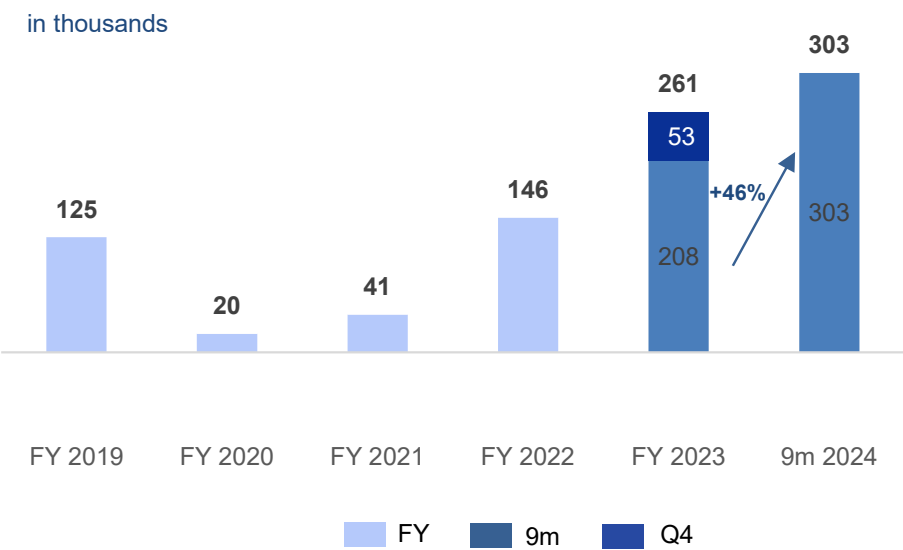


PASSENGER ACMI PERFORMANCE

- Passenger fleet block hours increased 46% YoY due to expansion of passenger fleet +30 aircraft
- Increase in aircraft utilization by 13% in 9 months 2024 compared to 9 months 2023
- All available operational passenger aircraft have been operating in 2024 summer season

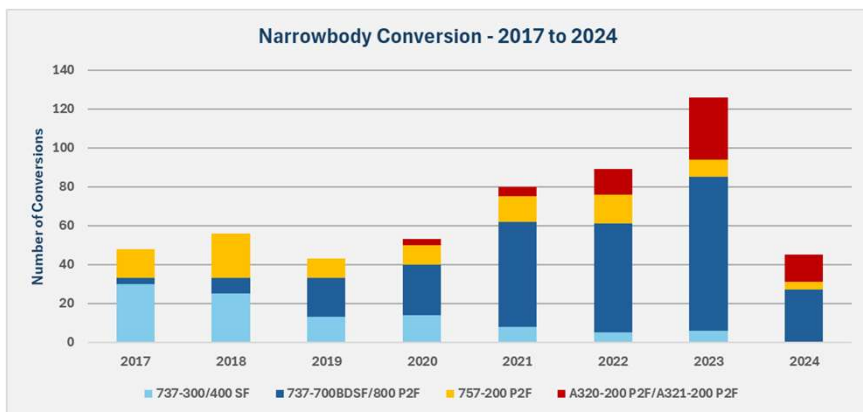
Aircraft Utilization (Total block hours flown/operational aircraft)			
in thousands		FY	9m
Passenger	2022	2.0	1.1
	2023	2.3	1.9
	2024B	2.9	2.2

Passenger fleet block hours 9m 2024



CARGO ACMI PERFORMANCE

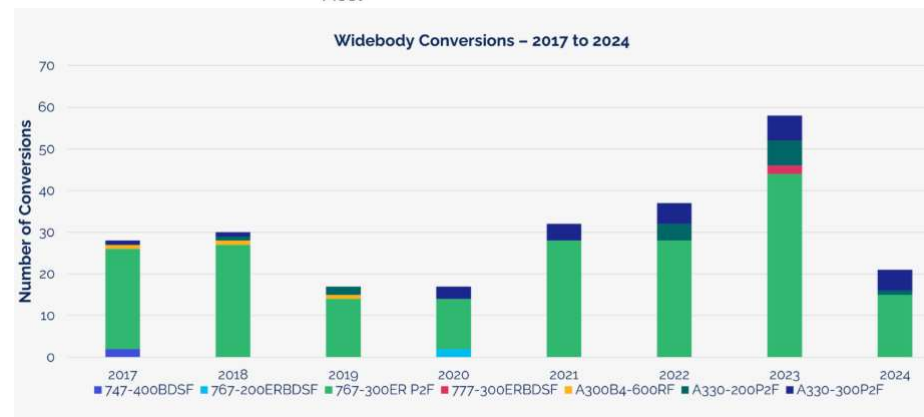
- As a result of the elimination of belly capacity provided by passenger aircraft during the pandemic, as well as the growth of e-commerce, narrow body freighters grew 50% and widebody freighters 11% from 2019, driven by conversions.
- In 2024 only few orders for narrow-body conversions were placed due to oversupply of the previous two-three years.
- Boeing estimates there are more than 700 older technology narrow-body freighters still in service that are 30 years old on average. While e-commerce has relied upon narrow-body 737-400F and 757-200F, both types are nearing their inevitable retirements.
- Group's 10 narrow body cargo aircraft have been grounded as of 9 months 2024. We expect the number will go down to 4 by the end of the year.



Sources: Boeing, IBA

Group's Cargo ACMI Performance			
ACMI Cargo	F2024	9m 2024	9m 2023
No. of Aircraft:	28	28	21
Aircraft generating revenue	19	14	16
Undeployed Aircraft	4	10	5
Engines deployed on Passenger Aircraft	5	4	0
ACMI Cargo PBT €	X	-50 m*	-7 m

*44m Old Cargo AOC+ 6m New Cargo AOC



INCOME STATEMENT

Consolidated statement of profit or loss		
in € m	9m 2024	9m 2023
Revenue	2 057.4	1 642.2
Other income	2.9	4.8
Cost of services and goods purchased	(1 207.1)	(993.5)
Depreciation and amortisation	(265.3)	(156.6)
Employee related expenses	(363.6)	(283.0)
Other operating expenses	(97.8)	(66.2)
Impairment losses of financial assets	0.5	0.2
Other impairment-related expenses	(3.9)	(2.0)
Other gain/(loss) - net	18.5	14.8
Operating profit (loss)	141.7	160.8
Finance income	64.0	4.5
Finance cost	(105.0)	(85.0)
Finance costs – net	(41.0)	(80.6)
Share of profit (losses) of associates	0.0	2.5
Profit (loss) before income tax	100.7	82.7
Income tax expense	(17.4)	(11.9)
Profit (loss) for the period	83.3	70.8

- The growth in the number of aircraft and AOCs were the main factors driving this increase in costs:
 - Depreciation and amortisation (€265 m vs €157 m);
 - Aircraft repair and maintenance costs (€175 m vs €107 m);
 - Employee related expenses (€364 m vs €283 m)
- Due to poor performance of the narrow-body ACMI cargo sub-segment (€44 m effect in 9 months), the opening of new AOCs (€18 m effect in 9 months) and the failures of major external MRO providers to provide timely maintenance for our ACMI fleet (€25 m effect in 9 months), the Group was prevented from exploiting the full potential for profitability growth in 2024.
- Financial income includes €53 m reversal of accumulated PIK for 2021-2023 due to conversion of preferred shares into common equity in Q2 2024

FREE CASH FLOW

Key cash flow drivers:

- Other investing activities include €44 m of aircraft sale leaseback transactions
- Other financing activities is mostly related with net proceeds of new bond issuance in May 2024
- Maintenance CAPEX grow is related with inception cost of new aircraft fleet
- Free Cash Flow before growth CAPEX will improve looking forward as the Group is addressing operational challenges related with narrow body cargo ACMI market and opening new AOC

Free Cash Flow before Growth Capex ⁽¹⁾	9m 2024	9m 2023
in € m		
Cash Generated from Operating activities	395.3	271.7
Income tax paid	(9.4)	(19.7)
Repayment of lease liabilities	(187.7)	(93.4)
Total lease interest paid	(77.0)	(38.0)
Maintenance CAPEX	(45.5)	(15.8)
Free Cash Flow before growth CAPEX	75.7	112.4

Note:

1. Free Cash Flow shown as Cash Generated from Operations less Income tax paid, Total lease paid and Maintenance Capex

Condensed consolidated statements of cash flows:	9m 2024	9m 2023
in € m		
Changes in working capital	7.2	(43.9)
Operating activities	295.9	248.0
Net cash generated from (used in) operating activities	303.1	204.1
Purchase of PPE and intangible assets	(162.7)	(129.2)
Other investing activities	20.2	8.0
Net cash generated from (used in) investing activities	(142.5)	(121.2)
Repayment of lease liabilities	(187.7)	(93.4)
Other financing activities	110.2	(30.4)
Net cash generated from (used in) financing activities	(77.5)	(123.8)
Currency translation difference	(5.0)	0.0
Increase (decrease) in cash and cash equivalents	78.1	(41.0)
Cash and cash equivalents at the beginning of period	200.6	324.6
Cash and cash equivalents at the end of period	278.7	283.6
Short term bank deposits at the end of period and overdraft	22.7	0.2
Cash and short term deposits at the end of period	301.4	283.8

NET CAPEX

- Proceeds from aircraft sale leaseback - 10 AC for €44.1 m
- Aircraft acquisition - 9 AC for €74 m
- Aircraft acquisition – primarily include the cost of aircraft for sale leaseback transactions and aircraft acquired to expand the fleet in recently established AOC
- MRO – expansion of wheels & brakes business line
- M&A - acquisition of new AOCs.
- More than €90 m in aircraft and engine sales are expected to be raised between the Q4 of 2024 and the Q1 of 2025

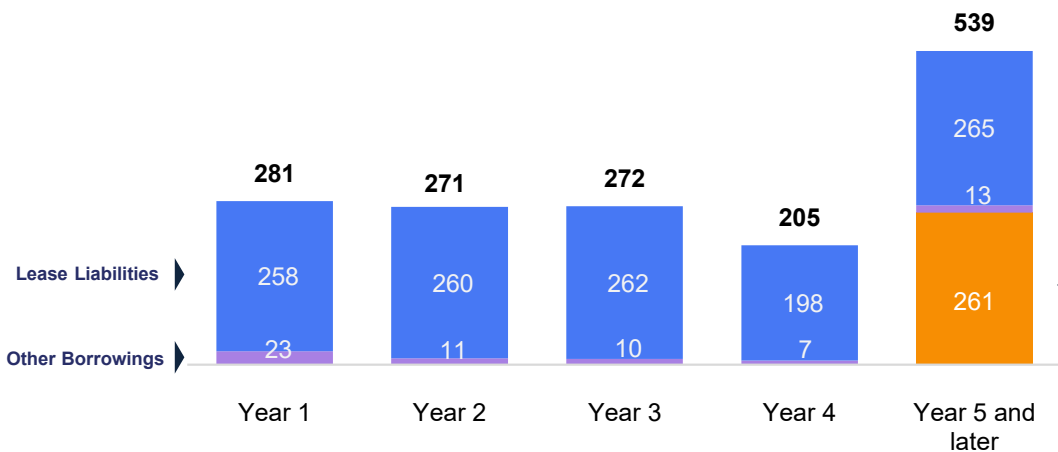
in € m		9m 2024	9m 2023
Logistics and distribution	Proceeds from Aircraft sale leaseback	(44.1)	0.0
	Aircraft acquisition	74.0	54.4
Support services	Simulators	3.5	10.7
	Real Estate	12.0	26.6
	MRO Equipment	9.1	2.0
	Other	13.4	17.7
M&A	Acquisitions, subsidiaries etc.	10.1	(9.8)
	Total Growth Capex	77.9	101.6
in € m		9m 2024	9m 2023
	Maintenance Capex	45.5	17.6
	Total Net Capex	123.4	119.2

CASH AND DEBT POSITION

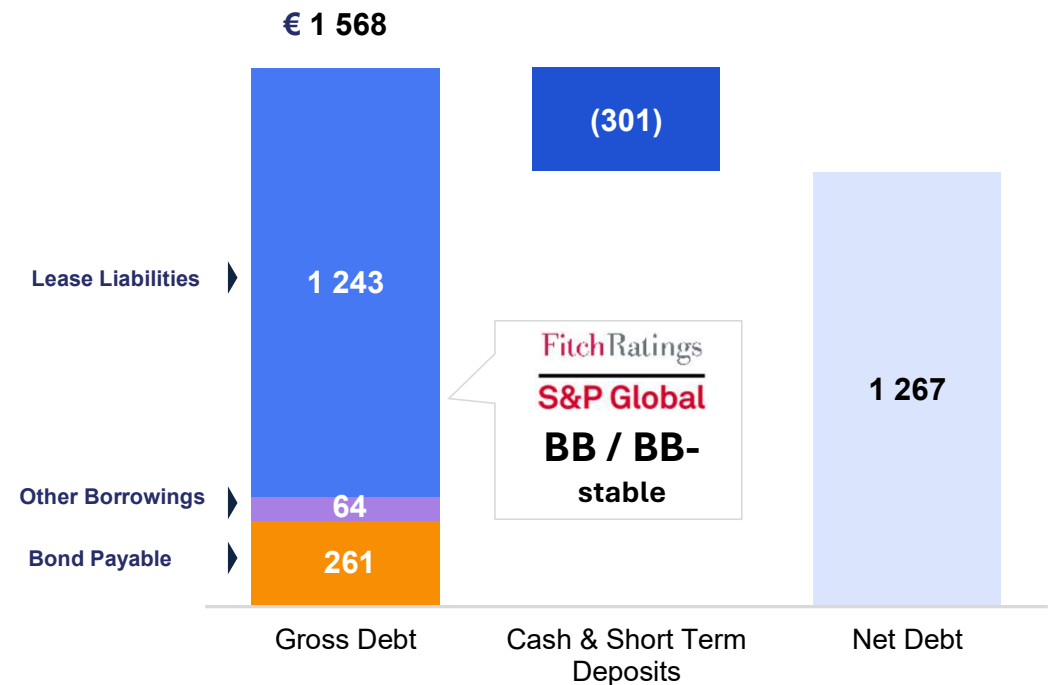
Lease liabilities 9m 2024:

- IFRS16 in Passenger ACMI segment: 62%
- IFRS16 in Cargo ACMI segment: 25%
- Other lease liabilities: 13%

Gross Debt by Maturities



Consolidated Debt Position of the Group



as of 30 September 2024
in € m

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GLOSSARY ON ALTERNATIVE PERFORMANCE MEASURES (APM)

This presentation also contains certain “non-IFRS financial measures”, i.e. financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measure calculated and presented in accordance with IFRS.

EBITDA: Group's EBITDA is calculated as profit (loss) from continuing operations before income tax plus depreciation and amortisation, finance costs – net, and adjusted for the results of equity-accounted investees and significant non-recurring transactions. EBITDA is presented because in the Group's opinion this is a useful measure of the results of operations. EBITDA is not defined by IFRS and should not be treated as an alternative to the profit (loss) categories provided for in IFRS as a measure of the operating results nor as a measure of cash flows from operating activities based on IFRS. Neither can it be treated as an indicator of liquidity.

ADJUSTMENT is an alternative performance measure used by ASG, which includes material charges or profits caused by movements in provisions related to assets, restructuring, or foreign exchange impacts as well as capital gains/losses from the disposal and acquisition of businesses.

CASH POSITION: ASG defines its consolidated gross cash position as the total of (i) cash and cash equivalents in banks and non-bank global payment providers, and (ii) up to 3 months deposits in banking financial institutions.

NET DEBT: For the purpose of capital risk management, the Group does not include the convertible preferred shares liability in the net debt calculation, since it is not subject to redemption via a cash outflow upon the expected conversion.

BLOCK HOUR: The time from the moment the door of an aircraft closes at departure of a revenue flight, until the moment the aircraft door opens at the arrival gate following its landing.

AOC: An Air Operator's Certificate is a certification granted by aviation authorities that authorizes and allows operators to use an aircraft for commercial purposes. This certificate is proof of an operator's adherence to safety, operational, and maintenance standards, ensuring that they are fully equipped to conduct air transport services.

PBT: Profit Before Tax.