

Via RNS and SGXNET

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AVATION PLC

(“Avation” or the “Company”)

AVATION CAPITAL S.A. ANNOUNCES OFFER TO PURCHASE ITS 9.00%/8.25% SENIOR PIK TOGGLE NOTES MATURING OCTOBER 31, 2026 ISSUED UNDER THE US\$1,000,000,000 GLOBAL MEDIUM TERM NOTE PROGRAMME AND GUARANTEED BY AVATION PLC AND AVATION GROUP (S) PTE. LTD. FOR UP TO US\$60,000,000 IN AGGREGATE CASH CONSIDERATION

Avation Capital S.A., a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 46A, Avenue J-F Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B 196883 (the “**Issuer**”), announced it has on October 19, 2022 (New York City time) commenced a cash tender offer (the “**Tender Offer**”) to purchase up to US\$60,000,000 million (subject to increase, the “**Tender Cap**”) in aggregate cash consideration (excluding Accrued Interest) payable to holders of the Issuer's 9.00%/8.25% Senior PIK Toggle Notes maturing October 31, 2026 (the “**Notes**”), issued under the US\$1,000,000,000 Global Medium Term Note Programme and guaranteed by Avation PLC (the “**Company**”, together with its subsidiaries, the “**Group**”) and Avation Group (S) Pte. Ltd. (“**AGS**”, and together with the Company, the “**Guarantors**”). The Tender Offer is being made on the terms and subject to the conditions, including a Financing Condition, set forth in the Offer to Purchase dated October 19, 2022 (as may be amended or supplemented from time to time, the “**Offer to Purchase**”). Capitalised terms not otherwise defined in this announcement have the same meaning as assigned to them in the Offer to Purchase.

Holders are advised to read carefully the Offer to Purchase for full details of, and information on the procedures for participating in, the Tender Offer.

The Tender Offer will expire at 11:59 P.M., New York City time, on November 17, 2022, unless extended or earlier terminated as described in the Offer to Purchase (such date and time, as the same may be extended, the “**Expiration Date**”), with an early participation deadline of 5:00 p.m., New York City time, on November 1, 2022 (the “**Early Participation Date**”), unless extended or earlier terminated by the Issuer in its sole discretion. We expect to extend the Expiration Date (but not the Withdrawal Date) for up to twelve months following the initial Expiration Date, during which time Holders will not be able to withdraw or resell their tendered Notes (see “Extension of Expiration Date” below).

The Total Consideration payable for the Notes will be equal to the Clearing Price to be determined pursuant to a modified “Dutch Auction”. Holders who validly tender (and do not validly withdraw) their Notes on or prior to the Early Participation Date, and whose Notes are accepted for purchase by the Issuer in the Tender Offer, will be eligible to receive the Total Consideration, which includes an Early Participation Amount of US\$50 for each US\$1,000 principal amount of Notes validly tendered on or prior to the Early Participation Date and accepted for purchase by the Issuer in the Tender Offer.

Holders who validly tender their Notes after the Early Participation Date and on or prior to the Expiration Date, and whose Notes are accepted for purchase by the Issuer, will not be eligible to receive the Early Participation Amount and will only receive the Total Consideration minus the Early Participation Amount (the “**Tender Offer Consideration**”).

Holders electing to participate may specify the minimum Total Consideration (the “**Bid Price**”) they would be willing to receive in exchange for each US\$1,000 principal amount of Notes they choose to tender in the Tender Offer. The Bid Price that Holders specify for each US\$1,000 principal amount of Notes must be within the range set forth below and must be in increments of US\$5.00. Holders tendering Notes without specifying a Bid Price will be deemed to have specified the lowest price in the range set forth below as their Bid Price. The following sets forth certain terms of the Tender Offer:

Title of Securities – 9.00%/8.25% Senior PIK Toggle Notes maturing October 31, 2026

CUSIP / ISIN – 144A: 05351CAA5 / US05351CAA53; Reg S: L56473AA6 / USL56473AA67

Aggregate Principal Amount Outstanding – US\$355,605,435

Early Participation Amount⁽¹⁾ – US\$50

Total Consideration (Acceptable Bid Price Range)⁽¹⁾⁽²⁾ – US\$710 - US\$810

Notes: (1) Per US\$1,000 principal amount of Notes that are accepted for purchase by the Issuer; (2) Includes the US\$50 Early Participation Amount.

Holders who participate in the Tender Offer after the Early Participation Date will be deemed to have tendered with a Bid Price equal to the Tender Offer Consideration regardless of the Bid Price they specified, and their Bid Price will not be used for purposes of determining the Clearing Price.

As more fully described in the Offer to Purchase, the Total Consideration for each US\$1,000 principal amount of the Notes validly tendered (and not validly withdrawn) by Holders pursuant to the Tender Offer on or prior to the Early Participation Date and accepted for purchase by the Issuer (subject to proration, if any) will be equal to the Clearing Price, which Clearing Price will be determined by consideration of the Bid Prices of all validly tendered (and not validly withdrawn) Notes on or prior to the Early Participation Date, in order of lowest to highest Bid Prices specified or deemed to be specified.

If the aggregate principal amount of the Notes validly tendered (and not validly withdrawn) on or prior to the Early Participation Date with a Bid Price at or below the Clearing Price would cause the Issuer to accept an aggregate principal amount of Notes in excess of the Tender Cap, then Holders who tendered their Notes on or prior to the Early Participation Date at a Bid Price equal to the Clearing Price will be subject to proration as described in the Offer to Purchase, and any Notes tendered after the Early Participation Date will not be accepted for purchase in the Tender Offer.

If the Tender Offer is not oversubscribed at the Early Participation Date and purchase of all Notes validly tendered (and not validly withdrawn) on or prior to the Expiration Date with a Bid Price (or deemed Bid Price) at or below the Clearing Price would cause the Issuer to accept an aggregate principal amount of Notes in excess of the Tender Cap, then the Tender Offer is oversubscribed at the Expiration Date, and the Issuer would accept for purchase all tendered Notes on a prorated basis (to the extent such acceptance would not result in an acceptance of Notes in respect of the Tender Offer having an aggregate principal amount in excess of the Tender Cap) as described in the Offer to Purchase.

In addition to receiving the Total Consideration or Tender Offer Consideration, as applicable, Holders whose Notes are tendered and accepted for purchase by the Issuer in the Tender Offer will also receive a cash payment representing the accrued and unpaid cash interest on those Notes from the last interest payment date to, but not including, the settlement date of the Tender Offer, which is expected to be two business days after the Expiration Date.

Tendered Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on November 1, 2022, unless extended by us (such date and time, as the same may be extended, the “**Withdrawal Date**”). Notes validly tendered after the Withdrawal Date may not be withdrawn, unless otherwise required by law. The Tender Offer is subject to the satisfaction or waiver of a number of conditions set forth in the Offer to Purchase, including the Financing Condition. There is no guarantee that the Group will be able to obtain Financing on terms and conditions satisfactory to us in our sole and absolute discretion in order to fulfil the Financing Condition or that the other conditions set forth in the Offer to Purchase will be satisfied or waived. The Issuer may amend, extend or terminate the Tender Offer in its sole discretion and subject to applicable law.

The Issuer reserves the right, subject to applicable law, to (a) extend the Early Participation Date, the Withdrawal Date and/or the Expiration Date, in each case, to a later date and time; (b) amend the Tender Cap; (c) waive in whole or in part any or all conditions to the Tender Offer; (d) delay the acceptance for purchase of any Notes or delay the payment for any Notes or (e) otherwise modify or terminate the Tender Offer.

Conditions to the Tender Offer

The Issuer’s obligation to accept for purchase, and to pay for, the Notes validly tendered and not validly withdrawn or revoked pursuant to the Tender Offer is conditional on the satisfaction, or waiver by it, of a number of conditions, including: (a) the Group being able to complete one or more financings (each a “**Financing**”) to fund the Tender Offer, which could include, but is not limited to, one or more of an issue, sale, or public or private offering of equity securities in the capital markets or otherwise, a debt financing of whatever nature and/or a sale of aircraft or other assets whether through a sale of assets directly or through a sale of shares of the relevant company holding the assets (an “**Asset Sale**”) by any member of the Group, on terms and conditions satisfactory to the Group in its sole and absolute discretion and subject to applicable laws, and which raises net cash proceeds (after deducting the amount needed to be retained for working capital needs of the Group, and/or in the case of an Asset Sale, to repay any senior debt) in an amount sufficient to pay for the repurchase of the Notes validly tendered and accepted for purchase pursuant to the Tender Offer up to the Tender Cap plus Accrued Interest and fees, costs and expenses incurred in connection therewith (the “**Financing Condition**”). Each of this announcement and the Offer to Purchase is not an offer to sell or solicitation of an offer to purchase any securities that may be part of the Financing; and (b) the General Conditions set out in the Offer to Purchase.

The Group will use commercially reasonable efforts to complete one or more Financings to satisfy the Financial Condition. There is no guarantee that the Group will be able to obtain

Financing on terms and conditions satisfactory to us in our sole and absolute discretion in order to fulfil the Financing Condition.

Extension of Expiration Date

In connection with, and in order to pursue, one or more Financings, the Issuer expects to extend the Expiration Date (but not the Withdrawal Date) one or more times, such that the Tender Offer may remain outstanding for up to twelve months following the initial Expiration Date. Holders who have tendered their Notes may be required to leave their Notes in the Tender Offer for an extended period of time, during which such Holders will not be able to withdraw or resell their Notes unless the Tender Offer is terminated or the Issuer reopens withdrawal rights, which the Issuer only expects to do so if there is a material change in the terms of the Tender Offer that is adverse to the Holders. Holders who participate in the Tender Offer should be prepared to have no liquidity during the offer period. There is no guarantee that the Group will be able to obtain Financing on terms and conditions satisfactory to us in our sole and absolute discretion in order to fulfil the Financing Condition. **The Group will not acquire any Notes outside the Tender Offer until the Tender Offer expires or is terminated.**

Further Information

Citigroup Global Markets Inc. is acting as the sole dealer manager for the Tender Offer. Global Bondholder Services Corporation is serving as the Information Agent and Tender Agent for the Tender Offer.

Questions regarding the terms of the Tender Offer may be directed to Citigroup Global Markets Inc. (the “**Sole Dealer Manager**”), who is acting as the sole dealer manager in connection with the Tender Offer, and questions and requests for assistance regarding how to participate in the Tender Offer or for copies of the Offer to Purchase may be directed to Global Bondholder Services Corporation, the Information Agent and Tender Agent, each of whose contact details are set out below.

The Information Agent and Tender Agent for the Tender Offer is:

GLOBAL BONDHOLDER SERVICES CORPORATION

65 Broadway – Suite 404
New York, New York 10006
Attn: Jim Montano, Corporate Actions

Banks and Brokers call: (212) 430-3774
Toll free: (855) 654-2015

By facsimile:
(For Eligible Institutions only):
(212) 430-3775/3779

Confirmation:
(212) 430-3774

Email: contact@gbsc-usa.com

By Mail:
65 Broadway – Suite 404
New York, NY 10006

By Overnight Courier:
65 Broadway – Suite 404
New York, NY 10006

By Hand:
65 Broadway – Suite 404
New York, NY 10006

The Sole Dealer Manager for the Tender Offer is:

CITIGROUP GLOBAL MARKETS INC.

388 Greenwich Street
New York, New York 10013
Attention: Steve Cheeseman, Liability Management Group
Toll Free: (800) 558-3745
Collect: (212) 723-6106

Disclaimer

This announcement must be read in conjunction with the Offer to Purchase. This announcement and the Offer to Purchase contain important information which must be read carefully before any decision is made with respect of the Tender Offer. If any Holder is in doubt as to the action it should take, it is recommended to seek its own legal, tax, accounting and financial advice, including as to any tax consequences, immediately from its stockbroker, bank manager, attorney, accounting or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to participate in the Tender offer.

None of the Issuer, the Guarantors, the Sole Dealer Manager, the Information Agent and Tender Agent, the Trustee for the Notes or any other person makes any recommendation as to whether or not Holders should tender their Notes in response to the Tender Offer or at what Bid Prices Holders should tender their Notes. Each Holder must make its own decision as to whether to tender its Notes and, if so, the principal amount and Bid Price at which action is to be taken.

No person has been authorised to give any information or make any representation on behalf of the Issuer that is not contained in the Offer to Purchase and, if given or made, such information or representation should not be relied upon.

Offer and Distribution Restrictions

This announcement does not constitute or form any part of and should not be constructed as an offer or commitment to sell or issue, a solicitation, recommendation, commitment or invitation to subscribe for, underwrite or otherwise acquire, and should not be construed as an advertisement for, any securities of the Company or any of its subsidiaries in any jurisdiction or an inducement to enter into investment activity in any jurisdiction. The distribution of this announcement and the Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Offer to Purchase comes are required by each of the Issuer, the Sole Dealer Manager and the Information Agent and Tender Agent to inform themselves about and to observe any such restrictions.

The Tender Offer is being made solely by and pursuant to the terms set forth in the Offer to Purchase and each Holder participating in the Tender Offer will be deemed to give the representations in respect of the jurisdictions referred to above and generally as set out in the Offer to Purchase.

-ENDS-

Enquiries:

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 62522077.

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.