

**THIS ANNOUNCEMENT IS NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), CANADA, AUSTRALIA, SOUTH AFRICA OR JAPAN, OR ANY OTHER JURISDICTION IN WHICH THE PUBLICATION, DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL.**

**This announcement is not a prospectus nor an offer of securities for sale in any jurisdiction, including in or into the United States, Canada, Japan, South Africa or Australia.**

**Neither this announcement, nor anything contained herein, nor anything contained in the Registration Document (as defined herein) shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Investors should not purchase any securities referred to in this announcement or the Registration Document except solely on the basis of the information contained in a prospectus in its final form (together with any supplementary prospectus, if relevant, the "Prospectus"), including the risk factors set out therein, that may be published by Air Astana Joint Stock Company in due course in connection with a possible offer of common shares in the Company (the "Shares") and common shares in the form of global depositary receipts (the "GDRs", together with the Shares, the "Securities") and the possible (i) admission of the GDRs to the standard listing segment of the Official List of the Financial Conduct Authority (the "FCA") and to trading on the main market for listed securities of London Stock Exchange plc (the "LSE"); (ii) admission of the Securities to the official list of securities of the Astana International Exchange (the "AIX") and to trading on the AIX; and (iii) admission of the Shares to the "Premium" category of the "Shares" sector of the "Main" market of the JSC Kazakhstan Stock Exchange ("KASE") and admission to trading on the KASE. A copy of any Prospectus published by the Company will, if published, be available for inspection on the Company's website at [www.airastana.com](http://www.airastana.com), subject to certain access restrictions.**

12 January 2024



**Air Astana Joint Stock Company**

**Announcement of Intention to Publish a Registration Document and  
Expected Intention to Float on the London Stock Exchange, Astana International Exchange and  
Kazakhstan Stock Exchange**

Air Astana Joint Stock Company (the "**Company**") and, together with its subsidiary, the "**Air Astana Group**"), the largest airline group in Central Asia and the Caucasus regions based on market share, today announces its intention to publish a registration document (the "**Registration Document**") and its consideration of proceeding with an initial public offering (the "**Global Offer**") of its GDRs and a concurrent offering in Kazakhstan (the "**Domestic Offer**") in the form of Shares and GDRs. Should the Air Astana Group proceed with the Global Offer and the Domestic Offer (together, the "**Offering**"), the Offering would be expected to comprise the sale of Shares and GDRs held by BAE Systems (Kazakhstan) Limited ("**BAE**") and Sovereign Wealth Fund Samruk-Kazyna Joint Stock Company ("**SK**"), in addition to new Shares and GDRs issued by the Company.

Should the Company proceed with the Offering, it will apply: (i) for the admission of the GDRs to the standard listing segment of the Official List of the FCA and to trading on the main market for listed securities of the LSE, and (ii) for the admission of the Shares and the GDRs to the official list of the AIX and to trading on the AIX. The Company has made an application for the Shares to be admitted to the "Premium" category of the "Shares" sector of the "Main" market of the KASE and will apply for admission to trading on the KASE.

## Introduction to the Air Astana Group

- The Air Astana Group is the largest airline group in Central Asia and the Caucasus with 69%, 40% and 47% of market share on domestic, intra-regional and international routes from Kazakhstan, respectively (LTM September 2023).
- Through its young and modern fleet of 49 aircraft (as at 31 December 2023), it provides scheduled, point-to-point and transit, short-haul and long-haul air travel and cargo on domestic, intra-regional and international routes across Central Asia, the Caucasus, Europe (including Turkey), the Middle East and Asia (including India and China).
- In the nine months ended 30 September 2023, the Air Astana Group carried approximately 6.0 million passengers on approximately 41.0 thousand flights on 99 routes across 21 countries, compared to approximately 7.3 million passengers on approximately 52 thousand flights on 88 routes across 16 countries in the year ended 31 December 2022.
- The Air Astana Group's two differentiated but complementary brands (Air Astana, its full-service brand and the flag carrier of Kazakhstan, and FlyArystan, its low-cost carrier ("**LCC**") brand) allows the airline to target different customer markets and geographies, providing choice across a range of customer needs and travel purposes.

## Peter Foster, Air Astana Group President and CEO, commented:

*"The Air Astana Group has achieved remarkable success over the last two decades to become the largest airline group in Central Asia and the Caucasus. Today, we are one of the fastest-growing airline groups in the world with a modern, fuel-efficient fleet, carrying around 8 million customers annually and delivering award-winning levels of service on board our aircraft."*

*"As the flagship carrier of Kazakhstan, I am proud of our role in transforming connectivity across the region, a thriving and rapidly developing aviation market with untapped growth potential. Through our full-service airline Air Astana and our low-cost carrier FlyArystan, we operate more routes and serve more destinations than any other airline in our extended home market, Kazakhstan, Central Asia and the Caucasus and are strategically located to connect with flights across Europe, the Middle East and Asia. Over the Air Astana Group's 20-year history, we have consistently generated profitability through the cycle, culminating in a post-COVID recovery that outstripped global peer averages, delivering Adjusted EBITDAR CAGR of 19.0% between 2019 and 2022."*

*"Our intention to list in London and Kazakhstan demonstrates the strong foundations of the Air Astana Group and the exciting prospects to increase air travel across our key markets. We are confident that the initial public offering will accelerate the next stage of growth for the Air Astana Group, and we see significant opportunities to thicken our existing routes and expand into new geographic areas, supported by our continued fleet expansion plan and initiatives to increase operational flexibility. I would like to thank all our employees for their effort and professionalism in this project, and we look forward to welcoming potential investors as we continue our growth story on the public markets."*

## Key strengths and business highlights

- **A dual-brand business model comprising both a full-service carrier and one of the first LCCs in Central Asia:**
  - The Air Astana Group operates more routes and serves more destinations than any other airline in Kazakhstan, Central Asia and the Caucasus, offering flights to 54 destinations through 92 routes in 2023.
  - Air Astana is the full-service, flag carrier of Kazakhstan providing a premium travel option on business and leisure routes; FlyArystan is an independently managed and scalable LCC with a clearly defined fleet and route network expansion plan.
  - The Air Astana Group has focused on mitigating cannibalisation between the two brands by accentuating differentiated market positioning and utilising complementary route planning.
  - As the largest airline in Kazakhstan by revenue and fleet size, Air Astana services a broad network of locations within an approximately seven-hour radius of at least one of its Kazakhstan

base airports by predominantly narrow bodied aircraft. The airline services international routes to multiple locations across Europe (such as London, Amsterdam, Frankfurt, Istanbul), the Middle East (such as Jeddah) and Asia (such as Urumchi, Beijing, Seoul and Delhi).

- By promoting affordable airfares and thereby making air travel attainable for a greater proportion of the Kazakhstan population, FlyArystan increased its market share of domestic routes in Kazakhstan to approximately 38% in LTM September 2023 from 12% in the year of its launch (2019). Its independent management within the Air Astana Group fully embraces the LCC business model allowing it to operate with one of the lowest costs per available seat kilometre ("CASK") among internationally comparable LCCs. This enables it to compete on new routes at a lower breakeven load factor compared to the higher CASK airlines with which it competes.

- **Operational efficiency supported by a young and modern fleet and advanced technical training facilities:**

- The Air Astana Group's predominantly Airbus family fleet is young, modern and fuel-efficient with an average age of approximately five years.
- The Air Astana Group has invested in an advanced in-house 'Technical Centre' for aircraft maintenance, designed to the highest industry standards, eliminating reliance on third party C-checks for the Airbus fleet and enabling cost efficiencies. The Air Astana Group has also invested in other training facilities, including the first and only advanced full flight simulator in Kazakhstan.

- **Ideally positioned to benefit from operating in an attractive aviation market with substantial growth potential and easy access to air travel mega markets:**

- The Kazakhstan aviation market has demonstrated compelling growth historically, including a strong rebound from the COVID-19 pandemic. Kazakhstan's annual air passenger traffic grew at a CAGR of 6.0% post COVID-19 between 2019 to 2022, with total passenger numbers in 2022 reaching 13.0 million, surpassing a pre-pandemic level in 2019 of 10.9 million.
- Despite recent growth the Kazakhstan market continues to be underserved, with a low propensity to travel creating significant untapped growth opportunities. Air travel penetration in Kazakhstan is only approximately half the level of comparable emerging economies such as Turkey and Malaysia.
- Kazakhstan is strategically located with easy access to two of the largest aviation markets in the world, India and China, while also benefitting from close proximity to the Middle East (particularly Gulf and Saudi Arabia), Europe, Turkey and Asia. This allows Air Astana to access some of the fastest growing aviation markets in the world with its narrow body fleet.
- Committed deliveries of 22 aircraft through to 2026 to support future expansion from the existing fleet of 49 aircraft (as at 31 December 2023) to 80 aircraft by YE2028.

- **Operational and financial resilience demonstrated through the double crisis of the COVID-19 pandemic and the Russia-Ukraine conflict:**

- The Air Astana Group moved from an operating loss of U.S. \$69.3 million in the year ended 31 December 2020, to an operating profit of U.S. \$102.2 million and U.S. \$148.7 million in the years ended 31 December 2021 and 31 December 2022 respectively, while generating a CAGR in revenue of 60.6% for the three years ended 31 December 2022.
- During LTM September 2023, the Air Astana Group achieved 156% of 2019 passenger numbers (LTM September 2023: 8.0 million), 140% of 2019 RPK levels (LTM September 2023: 14.6 billion) and 132% of revenue generated in 2019 (LTM September 2023: U.S. \$1,186 million). The Air Astana Group achieved this growth while maintaining competitive CASK levels; its CASK ex-fuel decreased in total by 13% over the same period.
- Both airline brands maintain highly competitive CASK levels compared to their peer group of full-service and low-cost carriers, at 6.6 (U.S cents) for Air Astana and 4.4 (U.S. cents) for FlyArystan, in 2022.

- **A reputation of thought leadership, focusing on sustainable operations and award-winning customer service:**

- A ten-year Low-Carbon Development Programme developed in 2023 has set goals for the Air Astana Group's reduction of greenhouse gas emissions. As part of this programme, the Air Astana Group is replacing old generation Airbus-family aircraft with new generation A320 and A321neos equipped with new engines that, according to Airbus, deliver up to 20% reduction in fuel consumption, 20% reduction in CO2 (NOX) emissions and 50% noise reduction when compared to the prior generation of A320ceo family aircraft.
- Each of the Air Astana Group brands has been awarded for the quality of their services. Air Astana has been awarded "Best Airline in Central Asia and CIS" in the Skytrax World Airline Awards for 2022 and 2023. This is the eleventh time that Air Astana has received the regional award for Central Asia, with eight consecutive successes between 2012 and 2023. FlyArystan was awarded "Best Low Cost in Central Asia and CIS" in the Skytrax World Airline Awards for 2023. Further, in 2023 FlyArystan became one of only 13 LCCs globally to be certified as a 4-Star Low-Cost Airline, no airline has been awarded a 5-Star rating.
- Air Astana has successfully completed the International Air Transport Association's Operational Safety Audit (IOSA) for the ninth time. Documentation and implementation of nearly 1,000 IOSA standards and recommended practices were verified on all aspects of the airline's activities. These included organization and management, flight operations, operational control and flight dispatch, engineering and maintenance, cabin operations, ground handling, cargo operation and security.

### Expected Offer Highlights

Should the Air Astana Group proceeds with the Offering, the current expectation is that:

- The GDRs would be listed and admitted to trading on the LSE and the AIX. The Shares would be listed and admitted to trading on the AIX and KASE.
- The Offering would be expected to comprise:
  - (i) a domestic offer of GDRs (the "**Domestic Offer GDRs**") and Shares (the "**Domestic Offer Shares**" and with the Domestic Offer GDRs, the "**Domestic Offer Securities**");
  - (ii) a global offer of GDRs (the "**Global Offer GDRs**"); and
  - (iii) both (a) new Shares (or GDRs representing Shares) to be issued by the Company, raising gross proceeds of approximately USD120 million to support the Company's growth strategy and (b) existing Shares (or GDRs representing Shares) to be sold by SK and BAE.
- The Global Offer GDRs would be offered to certain institutional investors (i) outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act") and (ii) within the United States to "qualified institutional buyers" as defined in, and in reliance on, Rule 144A in the United States pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
- The Domestic Offer Securities would be offered to institutional and retail investors in Kazakhstan through the facilities of AIX (GDRs and Shares) and KASE (Shares only).
- In connection with the Global Offering, BAE intend to grant an over-allotment option for up to a maximum of 15% of the Global Offer GDRs.
- The GDRs represent Shares in the Company with one GDR representing an interest in four Shares.
- Any additional details in relation to the Offering, together with any potential changes to corporate governance arrangements, would be disclosed in a Confirmation of Intention to Float announcement and/or the Prospectus, if and when published.

Bookbuilding, including price range announcement, and roadshow is expected to be launched around the end of January 2024 subject to further positive decision of the Air Astana Group. Further information on timing will be communicated in due course.

Given that bookbuilding for submitting orders will last for a limited period of time, prospective purchasers of Domestic Offer GDRs and/or Domestic Offer Shares are advised to take the necessary steps to prepare for

timely submission of their orders, inclusive of opening of brokerage accounts, subject to the Domestic Offering terms which will be later set out in the Domestic Offering announcement on the KASE and AIX.

In relation to the Global Offer, the Company has engaged Citigroup Global Markets Limited and Jefferies International Limited as the joint global coordinators and bookrunners (the “**Joint Global Coordinators**”) and WOOD & Company Financial Services, a.s. as joint bookrunner.

In relation to the Domestic Offer, the Company has engaged JSC Halyk Finance as joint bookrunner (the “**Local Coordinator**”), Freedom Finance Global PLC as lead manager and JSC BCC-Invest, JSC SkyBridge Invest and JSC Jusan Invest as co-managers.

A copy of the Registration Document will be submitted to the National Storage Mechanism and will be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> once approved by the FCA. A copy of the Registration Document will also be available online at <https://airastana.com>, subject to certain access restrictions.

**Access to supplemental information for bona-fide, unconnected research analysts:** Information in relation to the Company will be made available via a link to unconnected research analysts today. Please contact Irina Martinez ([investor.relations@airastana.com](mailto:investor.relations@airastana.com)), Head of Investor Relations at the Company if you are a research analyst and would like to receive access to the information.

Terms used but not defined in this announcement have the meanings that will be ascribed to them in the Registration Document.

## **Management and Board of Directors**

The Air Astana Group has an experienced management team with a proven record of success. The leadership team is led by Peter Foster, President and Chief Executive Officer, and has an average of over 32 years’ service in the aviation industry and an average tenure of over 15 years with the Company.

Peter Foster has over 41 years’ industry experience, having played a key role in the growth of air travel in some of the most underdeveloped countries in Asia. Between 1982 and 1999, he served a variety of senior management positions within Cathay Pacific Airways in Hong Kong, Asia, Australia and Europe. Peter subsequently served as chief executive officer of Royal Brunei Airlines from 2002 to 2005 prior to his appointment as President and Chief Executive Officer of the Company in 2005. In the 2015 United Kingdom New Year’s Honours List, Peter was awarded Officer of the Order of the British Empire (OBE) for his services to British aviation in Kazakhstan.

The Board of Directors includes professionals with extensive experience in corporate governance and the airline industry. The Air Astana Group has maintained high corporate governance standards, which the Company believes are comparable to those of a publicly traded company.

## **Growth Strategy**

The Air Astana Group frames its strategy around three key pillars of growth, supported by operational efficiency and excellence. Through these strategies, the Air Astana Group is aiming to realise its vision of growing from the heart of Eurasia to build one of the finest airline groups in the world.

The Air Astana Group believes that it has opportunities to grow across four major geographic and product areas:

- **Domestic markets**, by protecting and extending the Company’s position as the market leader in Kazakhstan;
- **Near-home markets (defined as Central Asia and the Caucasus)**, where the Company believes it can capitalise on growth in intra-regional air connectivity, particularly through FlyArystan’s LCC business model;

- **Adjacent international markets**, where the Company believes it can benefit from Kazakhstan's strategic geographic position as a Eurasian hub, servicing aviation mega-markets, such as China, India and the Middle East, using narrow-body fleet; and
- **Ancillary revenue**, where the Company believes it can expand its passenger revenues from ancillary products and services, particularly within FlyArystan through further expansion of its unbundled pricing strategy.

#### 1. *Further untapped propensity to travel within Kazakhstan*

The Air Astana Group is positioned to benefit from growth in passenger numbers within Kazakhstan. Kazakhstan's total air traffic is expected to increase from approximately 7.5 million passengers in 2022 to 12.1 million passengers in 2027, with a 13% CAGR during the five-year period (Source: Kazakhstan Passenger Traffic Forecast 2023 - 2027 dated 25 September 2023 and produced by the International Air Transport Association). With untapped growth potential in the domestic market, the Air Astana Group has established actionable strategies to protect and extend its market share, as follows:

- **An increased network density within Kazakhstan.** While the Air Astana Group has a large existing route network within Kazakhstan, it can offer a more convenient service by operating multiple flights per day across both of its airline brands. The Company believes that this strategy of "thickening" routes also helps to build customer loyalty, by ensuring that the Air Astana Group can provide a comprehensive service that targets a broad range of customer segments. The Air Astana Group's planned fleet expansion will provide the additional capacity to support this higher network density;
- **Capitalising on increasing business travel.** The Company considers that the growth of the Kazakhstan economy will contribute toward increasing demand for business travel within Kazakhstan. The Air Astana Group believes that it is well placed to capitalise on this demand, including through its premium Air Astana offering and modern fleet; and
- **Continued growth of FlyArystan.** The Company believes that there is further potential to grow the domestic market by offering low average fares in a country where air travel is still relatively immature (as indicated by a low propensity to travel) and therefore an opportunity to drive behavioural change in attracting customers from other forms of internal transportation (such as trains).

#### 2. *Increasing air travel connectivity in Central Asia and Caucasus region*

As intraregional air travel connectivity expands, the Air Astana Group believes that it is positioned to exploit growth opportunities through:

- **A large existing customer base and market share.** The Air Astana Group has already established a 40% market share in the Central Asia and Caucasus region (LTM September 2023), which the Company believes provides a solid foundation to capitalise on growing passenger numbers;
- **Fleet expansion.** The Company considers that a larger fleet at the disposal of the airline brands will provide increased flexibility to add capacity on new routes as opportunities arise. This is particularly important in a dynamic region where trade and transport relationships can quickly develop;
- **A strong understanding of regional requirements.** The Company believes it has an opportunity to expand the Air Astana Group's business model to similar aviation markets in neighbouring countries. For example, this can be achieved through market liberalisation, increasing connectivity options, aircraft basing, technical development and partnering with airlines to develop a growing market segment.
- **Attractive competitive dynamic.** The Company considers that an inconsistent offering by international competitors, partly affected by COVID-19 restrictions from which airlines continue to recover, and the lack of competitors from its largest neighbouring country, Russia, provides a platform from which to grow and compete on intra-regional traffic.

### 3. *Growth of Air Astana through network expansion in adjacent international markets*

Air Astana targets potential growth in its business through network expansion in three main areas:

- **Eurasian East-West traffic (and vice versa).** Building on the strength of its route connectivity established prior to the COVID-19 pandemic, the Company intends to establish Air Astana as a full-service hub airline which improves access between Central Asia & Caucasus and large aviation markets such as China, India, the Middle East and Europe, predominantly with the use of narrow-body fleet. The use of narrowbody fleet provides a cost advantage versus competitors that use widebody aircraft to carry passengers to the same destination;
- **Point-to-point lifestyle travel.** The Company intends to further expand its successful recent strategy of establishing new routes on point-to-point, lifestyle-focused destinations where customers tend to be less price-sensitive with regard to their demand for travel; and
- **Premium near-home business travel.** The Company intends to leverage Air Astana's premium, full-service offering that is suitable for business travel in the growth of intra-regional air connectivity.

The Company intends to support growth in each of these markets by fleet expansion, with total aircraft rising from 49 at the end of 2023 to 80 at the end of 2028. With the addition of new narrow-body aircraft, the Company targets growth through the addition of new routes and the densification of existing routes. For example, it expects to increase the number of weekly flights to China to meet expected demand as passenger volumes recover from COVID-19. Further, the addition to the fleet of Boeing 787 aircraft will allow Air Astana to offer a premium service on longer international routes that the Company believes can be comparable to best-in-class global network carriers.

### 4. *Development of FlyArystan into a regional LCC champion*

The Company believes there are new opportunities to expand FlyArystan across international routes within its optimal stage length of approximately four to five hours. Through FlyArystan's diversified base strategy, with hub airports in North, East, South and West Kazakhstan, it is able to increase its radius of optimal stage lengths thereby capturing potential new routes and destinations. FlyArystan is particularly targeting network growth opportunities in Western and Central China, India, the Gulf, Pakistan and Eastern Europe. In each case, FlyArystan will focus on "blue ocean" routes where it can target underserved or sole operator routes within a three-hour radius. It frequently evaluates a range of route alternatives to assess those markets that are most attractive. In addition, as a result of FlyArystan's low unit cost performance it is also well placed to compete in "red ocean" markets where there are existing incumbent airlines.

### 5. *FlyArystan poised to continue to capture ancillary revenue*

FlyArystan increased its revenue per passenger from ancillary products from U.S. \$3.52 in the year ended 31 December 2020, to U.S. \$5.69 in the year ended 31 December 2022. Despite revenue per passenger from ancillary revenue growing by 61% between 2020 and 2022, the proportion of ancillary revenue as a proportion of passenger revenue remains below internationally comparable LCCs, such as Pegasus, EasyJet, Ryanair and WizzAir. The Company believes this demonstrates the potential to further grow ancillary revenue and revenue generated from other products and services, targeting a contribution of 25% in the mid-term.

In order to increase ancillary revenues FlyArystan has established several strategic initiatives:

- **New products and services.** Based on ancillary revenue product lines of established LCCs in Europe and the United States, the Company considers that FlyArystan has significant headroom to introduce additional revenue opportunities. Examples include a subscription-based membership programme with a fee from U.S. \$5 per month, that offers discounts on fares and ancillary products, fast track security, further in-flight food and shopping and third-party partnerships;
- **Longer average stage length.** The Company considers that, as FlyArystan increases the proportion of international flights within its route mix, which have longer average stage lengths, it will increase the potential to grow ancillary revenues further. For longer flights, ancillary products become more valuable to the customer (for example, by enhancing comfort and convenience) and are more likely to be selected during the booking process or onboard;

- **Investment in a new internet booking engine ("IBE").** The Company believes that the new IBE will more effectively market ancillary products and services to customers, increasing their visibility through the booking process and contributing to higher ancillary revenue conversion rates; and
- **Enhanced dynamic ancillary pricing software.** In Q1 of 2024, FlyArystan is upgrading its dynamic ancillary pricing software where the value of its ancillary products (for example baggage) increases based on consumer demand and purchase options. This allows the airline to progressively increase charges closer to departure date (a standard approach used by other LCCs).

- End -

#### **Enquiries:**

##### **Air Astana Group**

Irina Martinez (Head of Investor Relations)

[investor.relations@airastana.com](mailto:investor.relations@airastana.com)

+7 727 258 41 36

(ext. 1682)

##### **Instinctif Partners (IR and PR Adviser to Air Astana Group)**

Damian Reece

Joe Quinlan

Vivian Lai

[airastana@instinctif.com](mailto:airastana@instinctif.com)

+44 7931 598 593

+44 7493 867 439

+44 7493 867 459

#### **Joint Global Co-ordinators**

##### **Citigroup Global Markets Limited**

Ken Robins / Ivan Starcevic / Naveen Mittel (Equity Syndicate) /

Luke Atkinson (Equity Syndicate)

+44 20 7986 2175 /

+44 20 3569 3726

##### **Jefferies International Limited**

Luca Erpici / Christopher Squire / Aditi Venkatram /

Oliver Berwin (Equity Syndicate)

+44 20 7029 8000

#### **Joint Bookrunners**

##### **WOOD & Company Financial Services, a.s.**

Nick Kaufmann (ECM)

Wojciech Krajewski (IB)

+44 7534 664 275

+48 22 222 1542

##### **JSC Halyk Finance**

Investment Banking Department

[ib@halykfinance.kz](mailto:ib@halykfinance.kz)

+7 727 339 43 77

(ext. 3327, 3356, 3419, 3326, 3373)

#### **Lead Manager**

##### **Freedom Finance Global PLC**

Investment Banking Department

[ib@ffin.kz](mailto:ib@ffin.kz)

+7 727 311 10 64 / +7 727 311 10 65

(ext. 616, 342, 502, 415)

#### **Co-Managers**

##### **JSC BCC Invest**

Investment Banking Department

[ib@bcc-invest.kz](mailto:ib@bcc-invest.kz)

+7 727 244 32 30 (ext.39040)

##### **Jusan Invest JSC**

Sanzhar Ospanov (Managing Director, Corporate Finance)

[ib@jusaninvest.kz](mailto:ib@jusaninvest.kz)

+7 701 888 2999

##### **JSC SkyBridge Invest**

Investment Banking Department

[ib@sbinvest.kz](mailto:ib@sbinvest.kz)

+7 727 331 33 50 (ext.336)



## Notes to Editors

### About the Air Astana Group

The Air Astana Group is the largest airline group in Central Asia and the Caucasus region based on market share. As of the date of this announcement, the Air Astana Group operates a fleet of 49 aircraft (as at 31 December 2023) split between Air Astana, its full-service brand that operated its inaugural flight in 2002, and FlyArystan, its low-cost carrier established in 2019.

The Air Astana Group provides scheduled, point-to-point and transit, short-haul and long-haul air travel and cargo on domestic, regional and international routes across Central Asia, the Caucasus, the Far East, the Middle East, India and Europe. In the year ended 31 December 2022, the Air Astana Group carried approximately 7.3 million passengers on approximately 52 thousand flights across 16 countries. The Air Astana Group successfully recovered at a faster rate post-COVID in comparison to global averages and generated a CAGR in revenue of 60.6% for the three years ended 31 December 2022.

In 2023, Air Astana was recognised for the eleventh year as the "Best Airline in Central Asia and CIS" at the Skytrax World Airline Awards and received a five-star rating in the major airline category by the Airline Passenger Experience Association (APEX).

### Further Information

#### Selected consolidated statement of profit or loss

| USD millions  | Nine months ended 30 September |                     | Year ended 31 December |                |                |
|---|--------------------------------|---------------------|------------------------|----------------|----------------|
|   | 2023<br>(unaudited)            | 2022<br>(unaudited) | 2022                   | 2021           | 2020           |
| <b>Revenue and other income</b>                             |                                |                     |                        |                |                |
| Passenger revenue   | 877.9                          | 727.0               | 998.1                  | 715.8          | 358.4          |
| Cargo and mail revenue                                      | 15.7                           | 15.6                | 22.1                   | 33.6           | 24.6           |
| Other income  | 7.0                            | 4.6                 | 12.1                   | 7.8            | 11.0           |
| Gain from sale and leaseback transaction                    | -                              | -                   | -                      | 4.6            | 6.3            |
| <b>Total revenue and other income</b>                       | <b>900.6</b>                   | <b>747.2</b>        | <b>1,032.4</b>         | <b>761.8</b>   | <b>400.3</b>   |
| <b>Total operating expenses</b>                             | <b>(771.7)</b>                 | <b>(631.3)</b>      | <b>(883.7)</b>         | <b>(659.7)</b> | <b>(469.6)</b> |
| <b>Operating profit/(loss)</b>                              | <b>128.9</b>                   | <b>115.9</b>        | <b>148.7</b>           | <b>102.2</b>   | <b>(69.3)</b>  |
| Finance income  | 10.8                           | 3.7                 | 7.0                    | 2.4            | 1.4            |
| Finance costs   | (36.7)                         | (28.4)              | (39.3)                 | (47.1)         | (36.1)         |
| Foreign exchange loss, net                                  | (12.9)                         | (13.1)              | (15.1)                 | (12.5)         | (12.7)         |
| <b>Profit/(loss) before tax</b>                             | <b>90.0</b>                    | <b>78.0</b>         | <b>101.4</b>           | <b>45.0</b>    | <b>(116.6)</b> |
| Income tax (expense)/benefit                                | (17.6)                         | (17.1)              | (23.0)                 | (8.8)          | 22.7           |
| <b>Profit/(loss) for the period</b>                         | <b>72.4</b>                    | <b>61.0</b>         | <b>78.4</b>            | <b>36.2</b>    | <b>(93.9)</b>  |
| <b>Basic and diluted earnings/(loss) per share (in USD)</b> | <b>4,258</b>                   | <b>3,586</b>        | <b>4,613</b>           | <b>2,127</b>   | <b>(5,525)</b> |

#### Selected consolidated statement of financial position data

| USD millions                  | As at 30 September 2023 | As at 31 December |         |         |
|-------------------------------|-------------------------|-------------------|---------|---------|
|                               | 2023<br>(unaudited)     | 2022              | 2021    | 2020    |
| <b>ASSETS</b>                 |                         |                   |         |         |
| Total non-current assets      | 913.3                   | 884.0             | 764.3   | 751.6   |
| Total current assets          | 429.7                   | 366.9             | 337.9   | 297.6   |
| Total assets                  | 1,343.0                 | 1,250.9           | 1,102.2 | 1,049.2 |
| <b>EQUITY AND LIABILITIES</b> |                         |                   |         |         |
| Total equity                  | 215.1                   | 152.3             | 64.0    | 18.4    |
| Non-current liabilities       | 677.5                   | 698.6             | 673.4   | 672.4   |

| USD millions                        | As at 30<br>September<br>2023 | As at 31 December |                |                |
|-------------------------------------|-------------------------------|-------------------|----------------|----------------|
|                                     | 2023<br>(unaudited)           | 2022              | 2021           | 2020           |
| Current liabilities                 | 450.4                         | 400.0             | 364.8          | 358.3          |
| Total liabilities                   | 1,127.9                       | 1,098.6           | 1,038.2        | 1,030.7        |
| <b>Total equity and liabilities</b> | <b>1,343.0</b>                | <b>1,250.9</b>    | <b>1,102.2</b> | <b>1,049.2</b> |

### Selected consolidated statement of cash flows data

| USD millions   | Nine months ended 30<br>September |                     | Year ended 31 December |                |              |
|--|-----------------------------------|---------------------|------------------------|----------------|--------------|
|  | 2023<br>(unaudited)               | 2022<br>(unaudited) | 2022                   | 2021           | 2020         |
| <b>Net cash generated from operating activities</b>                      | <b>295.0</b>                      | <b>281.6</b>        | <b>351.0</b>           | <b>277.0</b>   | <b>2.6</b>   |
| <b>Net cash (used in)/generated from investing activities</b>            | <b>(35.3)</b>                     | <b>(36.4)</b>       | <b>(60.4)</b>          | <b>(13.1)</b>  | <b>8.5</b>   |
| <b>Net cash (used in)/generated from financing activities, of which:</b> | <b>(195.6)</b>                    | <b>(187.9)</b>      | <b>(263.5)</b>         | <b>(237.1)</b> | <b>15.1</b>  |
| Repayment of lease liabilities   | (135.8)                           | (109.8)             | (173.5)                | (93.6)         | (100.0)      |
| Interest paid  | (31.5)                            | (28.3)              | (38.4)                 | (49.1)         | (29.6)       |
| Repayment of borrowings and additional financing from sale and leaseback | (46.5)                            | (102.4)             | (104.4)                | (106.8)        | (66.3)       |
| Proceeds from borrowing and additional financing from sale and leaseback | 35.0                              | 52.7                | 52.7                   | 12.3           | 211.0        |
| Dividends paid   | (16.8)                            | -                   | -                      | -              | -            |
| <b>Net increase in cash and bank balances</b>                            | <b>64.0</b>                       | <b>57.4</b>         | <b>27.1</b>            | <b>26.9</b>    | <b>26.1</b>  |
| <b>Cash and bank balances, at the end of the period</b>                  | <b>314.4</b>                      | <b>281.7</b>        | <b>252.9</b>           | <b>226.4</b>   | <b>201.4</b> |

### Non-IFRS measures

| USD millions (unless otherwise stated)<br>(unaudited) | Nine months ended 30<br>September |              | Year ended 31 December |              |             |
|---|-----------------------------------|--------------|------------------------|--------------|-------------|
|   | 2023                              | 2022         | 2022                   | 2021         | 2020        |
| <b>Adjusted EBITDA<sup>(1)(4)</sup></b>               | <b>247.3</b>                      | <b>214.8</b> | <b>283.9</b>           | <b>223.0</b> | <b>31.7</b> |
| <b>Adjusted EBITDAR<sup>(2)(4)</sup></b>              | <b>249.8</b>                      | <b>218.3</b> | <b>288.4</b>           | <b>224.9</b> | <b>33.0</b> |
| <b>Adjusted EBITDAR Margin %<sup>(3)(4)</sup></b>     | <b>28</b>                         | <b>29</b>    | <b>28</b>              | <b>30</b>    | <b>8</b>    |

Source: All measures in the tables above are derived from management accounts and internal financial and operating reporting systems and are unaudited.

- (1) The Air Astana Group defines Adjusted EBITDA as profit/(loss) for the period before income tax (expense)/ benefit, finance income, finance costs, foreign exchange loss, net and depreciation and amortisation.
- (2) The Air Astana Group defines Adjusted EBITDAR as profit/(loss) for the period before income tax (expense)/ benefit, finance income, finance costs, foreign exchange loss, net and depreciation and amortisation and lease costs (comprising aircraft variable lease charges, spare engine lease charges, lease of spare parts, property lease costs (office accommodation rent), rental of plant, machinery and ground equipment).
- (3) The Air Astana Group defines Adjusted EBITDAR Margin as Adjusted EBITDAR divided by total revenue and other income.
- (4) The following table presents the reconciliation of Adjusted EBITDA, Adjusted EBITDAR and Adjusted EBITDAR Margin for the periods presented below:

| USD millions<br>(unaudited)                                 | Nine months<br>ended 30<br>September |              | Year ended 31 December |              |             |
|---|--------------------------------------|--------------|------------------------|--------------|-------------|
|   | 2023                                 | 2022         | 2022                   | 2021         | 2020        |
| <b>Adjusted EBITDA and Adjusted EBITDAR reconciliation:</b> |                                      |              |                        |              |             |
| Profit/(loss) for the period                                | 72.4                                 | 61.0         | 78.4                   | 36.2         | (93.9)      |
| <i>Adjusted for</i>   |                                      |              |                        |              |             |
| Income tax (expense)/benefit                                | (17.6)                               | (17.1)       | (23.0)                 | (8.8)        | 22.7        |
| Finance income  | 10.8                                 | 3.7          | 7.0                    | 2.4          | 1.4         |
| Finance costs   | (36.7)                               | (28.4)       | (39.3)                 | (47.1)       | (36.1)      |
| Foreign exchange loss, net                                  | (12.9)                               | (13.1)       | (15.1)                 | (12.5)       | (12.7)      |
| Depreciation and amortisation                               | (118.4)                              | (98.9)       | (135.2)                | (120.8)      | (101.0)     |
| <b>Adjusted EBITDA</b>                                      | <b>247.3</b>                         | <b>214.8</b> | <b>283.9</b>           | <b>223.0</b> | <b>31.7</b> |
| Lease costs   | (2.5)                                | (3.5)        | (4.5)                  | (1.9)        | (1.3)       |
| <b>Adjusted EBITDAR</b>                                     | <b>249.8</b>                         | <b>218.3</b> | <b>288.4</b>           | <b>224.9</b> | <b>33.0</b> |

## Selected operating data

| (unaudited)  | Nine months ended 30<br>September |              | Year ended 31 December |              |              |
|--|-----------------------------------|--------------|------------------------|--------------|--------------|
|  | 2023                              | 2022         | 2022                   | 2021         | 2020         |
| <b>Available seat kilometres (ASKs) (billions)</b> | <b>13.2</b>                       | <b>11.7</b>  | <b>15.9</b>            | <b>13.1</b>  | <b>8.1</b>   |
| Air Astana   | 9.4                               | 8.4          | 11.4                   | 9.0          | 6.2          |
| FlyArystan   | 3.9                               | 3.3          | 4.5                    | 4.1          | 1.9          |
| <b>Aircraft – end of period in service</b>         | <b>43</b>                         | <b>36</b>    | <b>39</b>              | <b>36</b>    | <b>32</b>    |
| Air Astana   | 28                                | 25           | 27                     | 26           | 25           |
| FlyArystan   | 15                                | 11           | 12                     | 10           | 7            |
| <b>Passengers (millions)<sup>(1)</sup></b>         | <b>6.0</b>                        | <b>5.4</b>   | <b>7.3</b>             | <b>6.6</b>   | <b>3.7</b>   |
| Air Astana   | 3.4                               | 3.0          | 4.1                    | 3.6          | 2.2          |
| FlyArystan   | 2.7                               | 2.4          | 3.2                    | 3.1          | 1.5          |
| <b>Load factor (%)</b>                             | <b>84</b>                         | <b>83</b>    | <b>83</b>              | <b>80</b>    | <b>71</b>    |
| Air Astana   | 81.7                              | 81.3         | 81.0                   | 78.2         | 67.3         |
| FlyArystan   | 89.7                              | 87.1         | 86.7                   | 82.9         | 82.9         |
| <b>Employees (FTE) - end of period</b>             | <b>5,498</b>                      | <b>5,159</b> | <b>5,341</b>           | <b>4,683</b> | <b>4,495</b> |
| Air Astana   | 4,911                             | 4,638        | 4,778                  | 4,196        | 4,117        |
| FlyArystan   | 587                               | 521          | 563                    | 487          | 378          |
| <b>RASK (U.S. cents)</b>                           | <b>6.8</b>                        | <b>6.4</b>   | <b>6.5</b>             | <b>5.8</b>   | <b>4.9</b>   |
| Air Astana   | 8.0                               | 7.5          | 7.7                    | 7.3          | 6.0          |
| FlyArystan   | 5.5                               | 4.9          | 4.8                    | 3.8          | 3.0          |
| <b>CASK (U.S. cents)</b>                           | <b>5.8</b>                        | <b>5.4</b>   | <b>5.6</b>             | <b>5.0</b>   | <b>5.8</b>   |
| Air Astana   | 6.9                               | 6.4          | 6.6                    | 6.2          | 6.8          |
| FlyArystan   | 4.8                               | 4.2          | 4.3                    | 3.7          | 3.8          |
| <b>CASK (excluding fuel) (U.S. cents)</b>          | <b>4.3</b>                        | <b>4.0</b>   | <b>4.1</b>             | <b>4.0</b>   | <b>4.7</b>   |
| Air Astana   | 5.2                               | 4.9          | 5.0                    | 5.1          | 5.7          |
| FlyArystan   | 3.4                               | 3.0          | 3.0                    | 2.7          | 2.8          |

Source: Management accounts and internal financial and operating reporting systems.

See "Glossary of Terms and Definitions" for definitions of terms used in this table.

(1) Passenger numbers are seats flown and excludes those seats that are sold but not flown.

## **The Board and Senior Management**

### **The Board**

#### ***Nurlan Zhakupov – Chair***

Mr. Zhakupov was born in 1978 and is a citizen of the Republic of Kazakhstan. He began his career at Eurasian Industrial Association as a financial analyst. From 2009 he held a variety of management and senior management positions, including serving as a managing director at National Mining Company Tau-Ken Samruk from 2009 to 2011 and as a managing director for Development and Investment at NAC Kazatomprom JSC from 2016 to 2017. In 2020, Mr. Zhakupov was appointed as chief executive officer of Kazakhstan Investment Development Fund (KIDF) Management Company Ltd, prior to his appointment as a chief executive officer of SK. Mr. Zhakupov graduated from MGIMO University of the Ministry of Foreign Affairs of the Russian Federation in 2001: Candidate of economic sciences; Master of Economics (International Economic Relations Department); Bachelor of Economics (International Economic Relations Department).

#### ***Yeldar Abdrazakov – Independent Non-Executive Director***

Mr. Abdrazakov was born in 1972 and is a citizen of the Republic of Kazakhstan. He was Managing Director at Kazkommertsbank from 1995 to 2003, chief executive officer at Kazkommerts Securities from 2002 to 2004, and founder and chief executive officer from 2004 at Centras Group. Mr. Abdrazakov holds a Bachelor of Science and Master of Science degree in economics from the Akhmet Yassawi International Kazakh-Turkish University, Almaty and has also completed the General Management Programme at Harvard Business School, United States. Mr. Abdrazakov is a Chartered Director of the United Kingdom's Institute of Directors. Mr. Abdrazakov was first elected to the Board of Directors of the Company in 2020.

#### ***Janet Heckman – Independent Non-Executive Director***

Ms. Heckman was born in 1954 and is a citizen of the United States of America. Between 1980 and 2012 she held various positions at Citi Group with a focus on corporate banking; she was the Managing Director for Citi's corporate and investment banking activities in Algeria from 2008 to 2012. Ms. Heckman joined the European Bank for Reconstruction and Development in 2012 as a country director for Kazakhstan and managing director for the Southern and Eastern Mediterranean region from 2017 to 2019. Mrs. Heckman holds a Master of Science degree in foreign service from Georgetown University in Washington, D.C., United States and a Bachelor of Arts from Kenyon College, Ohio. Ms. Heckman was first elected to the Board of Directors of the Company in 2019.

#### ***Keith Gaebel – Independent Non-Executive Director***

Mr. Gaebel was born in 1962 and is a citizen of Canada. Mr. Gaebel has held various positions within accounting firms including head of the CIS financial reporting group at PricewaterhouseCoopers (2000 to 2004) and Ernst & Young (2004 to 2008) and managing partner for Central Asia and Caucasus at Ernst & Young (2008 to 2013). Mr. Gaebel holds a degree from Lakehead University. Mr. Gaebel was first elected to the Board of Directors of the Company in 2020.

#### ***Garry Kingshott – Independent Non-Executive Director***

Mr. Kingshott was born in 1952 and is a citizen of Australia. He began his career in 1973 at Johnson & Johnson and held various positions within the retail sector until 1990. In 1990, Mr. Kingshott joined Ansett Airlines (Australia) after which he continued in the aviation, travel and tourism sector, most recently serving as chief executive at Cebu Air Inc. from 2008 to 2016. Mr. Kingshott is a member of the Australian Institute of Company Directors. Mr. Kingshott was first elected to the Board of Directors of the Company in 2019.

#### ***Aidar Ryskulov – Non-Executive Director***

Mr. Ryskulov was born in 1981 and is a citizen of the Republic of Kazakhstan. He began his career at Kazakhstan Temir Zholy National Company Joint Stock Company as an engineer economist and has subsequently held a number of banking and finance positions. He is also the managing director of the department of Economics and Finance at SK, the chair of the board of directors of Qazaq Air Joint Stock Company, the chair of the board of directors of Kazakhstan Temir Zholy National Company Joint Stock Company and a member of the board of directors of NAC Kazatomprom Joint Stock Company. Mr. Ryskulov obtained a bachelor's degree in finance and credit from the Karaganda State University, Kazakhstan and an

MBA from Nazarbayev University, Kazakhstan. Mr. Ryskulov was first elected to the Board of Directors of the Company in 2023.

***Myles Westcott – Non-Executive Director***

Mr. Westcott was born in 1971 and is a citizen of the United Kingdom. He began his career in 1992 in accounting, subsequently holding various accounting and management roles including within retail and consultancy. In 2001, Mr. Westcott joined BAE Systems plc and has since held a number of finance leadership positions, most recently as Group Financial Controller. Mr. Westcott is a Fellow of the Institute of Chartered Accountants in England & Wales, and a graduate of Bristol University, United Kingdom. Mr. Westcott was first elected to the Board of Directors of the Company in 2018.

***Simon Wood – Non-Executive Director***

Mr. Wood was born in 1975 and is a citizen of the United Kingdom. Mr. Wood began his career in 1996 in the defence and aerospace sector. He joined BAE Systems plc in 1996 and has held a number of finance positions, most recently as Finance Director Maritime & Land. Mr. Wood is a Fellow of the Chartered Institute of Management Accountants, a member of the UK Institute of Directors, and a graduate of Kingston Business School, Kingston University. Mr. Wood was first elected to the Board of Directors of the Company in 2019.

***Peter Foster – President and Chief Executive Officer***

Mr. Foster was born in 1960 and is a citizen of the United Kingdom. He began his career at John Swire and Sons (HK) Ltd, the owners of Cathay Pacific Airways Ltd. From 1982 to 1999 he served in a variety of management and senior management positions within Cathay Pacific Airways in Hong Kong, Asia, Australia and Europe. In 1999, he joined Philippine Airlines Inc. as chief company advisor. He subsequently served as chief executive officer of Royal Brunei Airlines from 2002 to 2005 prior to his appointment as President and Chief Executive Officer of the Company in 2005. In the 2015 United Kingdom New Year's Honours List, Mr. Foster was awarded Officer of the Order of the British Empire (OBE) for his services to British aviation in Kazakhstan. Mr. Foster is a graduate of Cambridge University, United Kingdom and has a business management training certificate from INSEAD.

## **Senior Management**

***Peter Foster – President and Chief Executive Officer***

See above

***Ibrahim Canliel – Chief Financial Officer***

Mr. Canliel was born in 1971 and is a citizen of the Republic of Türkiye. He started his career in 1994 in tourism management and subsequently held various aviation management roles including within KLM/Northwest Airlines/Alitalia. He joined the Air Astana Group in 2003 and since has held senior management positions as director, VP, SVP across a range of departments prior to his appointment as CFO in 2017. He is currently a member of the board of directors of EUROBAK. Mr. Canliel holds an undergraduate degree in economics from the Marmara University and an MBA degree from Bosphorus University, Turkey. He completed the Cranfield Directors Programme at the Cranfield School of Management, United Kingdom.

***Adrian Hamilton-Manns – President; FlyArystan***

Mr. Hamilton-Manns was born in 1970 and is a citizen of New Zealand and the United Kingdom. In 1995, he joined Air New Zealand and was responsible for regional planning. Mr. Hamilton-Manns subsequently worked at several airlines where he held senior roles including being a founding member of the IndiGo management team. In 2020 he joined the Air Astana Group as Managing Director of FlyArystan. Mr. Hamilton-Manns holds a degree in Aviation Management from Massey University, New Zealand and an MBA from Cumbria University, United Kingdom.

***Alma Aliguzhinova – Chief Planning Officer***

Ms. Aliguzhinova was born in 1976 and is a citizen of the Republic of Kazakhstan. She joined the Air Astana Group in 2001 as a corporate development manager and has subsequently held a number of planning positions. Ms. Aliguzhinova holds an MBA degree from East Carolina University, United States. She also holds an Aerospace MBA from the Toulouse Business School, France and a bachelor's degree from Almaty State University.

### ***Filippos Siakkas – Chief Operating Officer***

Mr. Siakkas was born in 1966 and is a citizen of the Republic of Greece. In 1989, he joined Olympic Airways (now known as Olympic Airlines), the flag carrier of Greece, where he flew several aircraft types as first officer and captain and held a number of senior appointments. After leaving Olympic Airlines in 2013, he joined the Company as director of operational training and in November 2022 was appointed to the role of Chief Operating Officer.

### ***Gerhard Coetzee – Senior Vice President Corporate Safety Compliance***

Gerhard started his career as an Air Force navigator and is a qualified Accident Investigator with qualifications in (Aviation) Safety Programme management, Crew Resource Management and Flight Procedure Design. He holds a bachelor's degree in Commerce and an Honours degree in Transport Economics from University of South Africa. He has been actively involved in aviation safety management for the past 25 years including as Managing Consultant with BAE Systems.

## **Important Legal Information**

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

These materials are not an offer of securities for sale in the United States. The securities to which these materials relate have not been registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States absent registration or an exemption from registration or in a transaction not subject to the registration requirements under the Securities Act. There will be no public offering of the securities in the United States.

This document is being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) persons falling within Article 49(2)(a) to (d) of the Order or (iv) persons to whom it may otherwise lawfully be communicated (all such persons in (i), (ii), (iii) and (iv) above together being referred to as "**relevant persons**"). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

In any member state of the European Economic Area, this communication is only addressed to and is only directed at qualified investors in such member state within the meaning of the Prospectus Regulation EU 2017/1129 (the "**Prospectus Regulation**") or the United Kingdom within the meaning of the Prospectus Regulation as it forms part of assimilated UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"), and no person that is not a qualified investor may act or rely on this communication or any of its contents.

These materials and the information contained herein are being sent solely to the addressee and are for the sole use of the addressee. Neither these materials nor the information contained herein constitute advertisement or are intended for circulation to an unlimited circle of people. The addressee is solely responsible for determining whether the addressee is eligible to acquire or otherwise have an interest in the instruments offered pursuant to these materials and for compliance with Kazakhstan law.

This communication is an advertisement in any member state of the European Economic Area and the United Kingdom for the purposes of the Prospectus Regulation, and the UK Prospectus Regulation, respectively, and underlying legislation. It is not a prospectus. When approved and published, the Prospectus relating to the Securities will be available on the issuer's website at <https://airastana.com>.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "targets", "anticipates", "expects", "intends", "may", "will", "forecast" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may

and often do differ materially from actual results. No representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. Any forward-looking statements reflect the Air Astana Group's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Air Astana Group's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made.

In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur or the Air Astana Group's actual results, performance or achievements might be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Citigroup Global Markets Limited, Jefferies International Limited, WOOD & Company Financial Services, a.s., JSC Halyk Finance, Freedom Finance Global PLC JSC BCC-Invest, JSC SkyBridge-Invest and JSC Jusan Invest (together, the "**Banks**"), the Company or any member of the Air Astana Group, or any of such person's affiliates or their respective directors, officers, employees, agents or advisers expressly disclaim any obligation or undertaking to update, review or revise any such forward-looking statement or any other information contained in this announcement, whether as a result of new information, future developments or otherwise, except to the extent required by applicable law. You are therefore cautioned not to place any undue reliance on such forward-looking statements. In addition, even if the results of operations, financial condition and liquidity of the Air Astana Group, and the development of the industry in which the Air Astana Group operates, are consistent with the forward-looking statements set out in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. No statement in this announcement is intended to be a profit forecast.

The Air Astana Group may decide not to go ahead with the possible Offering and there is therefore no guarantee that a Prospectus will be published, the Offering will be made or admission will occur. Potential investors should not base their financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor the Registration Document, constitutes a recommendation concerning a possible offer. The value of securities can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, financial, accounting or legal advice, (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances or (iii) a personal recommendation to you.

None of the Banks nor any of their respective affiliates and/or any of their or their affiliates' directors, officers, employees, advisers and/or agents accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to, the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) and/or any other information relating to the Company, the Air Astana Group or its associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available, or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith.

Citigroup Global Markets Limited is authorised by the Prudential Regulatory Authority and regulated by the FCA and the Prudential Regulatory Authority in the United Kingdom. Jefferies International Limited is authorised and regulated by the FCA in the United Kingdom. WOOD & Company Financial Services, a.s. is authorised and regulated by the Czech National Bank in the Czech Republic. None of Citigroup Global Markets Limited, Jefferies International Limited or WOOD & Company Financial Services, a.s. will be involved in, and are not licensed or authorised to participate in, and will not be responsible for any aspect of, the possible Offering in the Republic of Kazakhstan. Each of (i) JSC Halyk Finance; (ii) BCC-Invest JSC; (iii) SkyBridge Invest JSC; and (iv) Jusan Invest JSC is authorised and regulated in Kazakhstan by the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market. Each of JSC Halyk Finance, Freedom Finance Global PLC and SkyBridge Invest JSC are regulated in the Astana International Financial Centre by the Astana Financial Services Authority. Each of the Banks will be acting exclusively for the Company and certain selling shareholders and no one else in connection with the possible Offering. The Banks will not regard any other person as their client in relation to the possible Offering and will not be responsible to anyone other than the Company and certain selling shareholders for providing the protections afforded to their respective clients nor for giving advice in relation to the possible Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein. In connection with the withdrawal of the UK from the European

Union, the Banks may, at their discretion, undertake their obligations in connection with the possible Offering by any of their affiliates based in the EEA.

Certain data in this announcement, including financial, statistical, and operating information has been rounded. As a result of the rounding, the totals of data presented in this announcement may vary slightly from the actual arithmetic totals of such data. Percentages in tables may have been rounded and accordingly may not add up to 100%.

Unless otherwise indicated, market, industry and competitive position data are estimated (and accordingly, approximate) and should be treated with caution. Such information has not been audited or independently verified, nor has the Company ascertained the underlying economic assumptions relied upon therein.

For the avoidance of doubt, the contents of the Air Astana Group's website or any website directly or indirectly linked to the Air Astana Group's website, are not incorporated by reference into, and do not form part of, this announcement.