



# 2023 Full Year Results

March 2024

## TODAY'S PRESENTERS



**Peter Foster**  
*Chief Executive Officer*



**Ibrahim Canliel**  
*Chief Financial Officer*

# OUR INITIAL PUBLIC OFFERING

Listing Venues	Offering Price	IPO Size	Free Float	Key highlights
London Stock Exchange (LSE) <sup>(1)</sup>	GDR Price USD 9.50	USD 370m	c. 42%	<ul style="list-style-type: none"> <li>• More than <b>60,000</b> orders placed</li> <li>• More than <b>70</b> institutional investors involved</li> <li>• <b>Unique</b> experience for all local capital market stakeholders</li> <li>• <b>First</b> IPO in Kazakhstan done simultaneously on 3 stock exchanges</li> <li>• <b>First</b> IPO in Kazakhstan with international institutional and local institutional and retail components</li> <li>• <b>First</b> public privatization in Kazakhstan with the State share dropping below 50% after the public offering</li> <li>• <b>First</b> IPO with conditional trading offered – a significant contribution to the equity market development</li> <li>• <b>First</b> IPO in Kazakhstan with stocks offered in USD on AIX</li> <li>• Starting from March 2024 common shares were included in <b>KASE index</b></li> <li>• Top-1 security by <b>trade volume</b> on AIX based on February 2024 trades</li> </ul>
Astana International Exchange (AIX) <sup>(2)(3)</sup>	Share Price USD 2.38 KZT 1,073.83	Upsized by c. <b>23%</b> given strong demand locally and internationally (3x over-subscription)	Offering Structure	
Kazakhstan Stock Exchange (KASE) <sup>(3)</sup>	Share Price KZT 1,073.83		Regs / 144A Public Offering in Kazakhstan	

“

I am delighted to welcome another IPO by a leading Central Asian company to the **Main Market**. Air Astana's **impressive track record and growth journey** make it **one of the fastest growing airline groups**. This successful cross-border IPO reiterates the London Stock Exchange's position as the venue of choice for leading international companies.

”

Julia Hoggett, CEO of the London Stock Exchange



Sources: FactSet

Notes: (1) Commencement of conditional trading of GDRs on LSE on 9 Feb 2024, and of unconditional trading of GDRs, on 14 Feb 2024. (2) Commencement of unconditional trading of GDRs on AIX in Kazakhstan on 15 Feb 2024.

(3) Commencement of trading of Shares on AIX and KASE in Kazakhstan on 15 Feb 2024.



# AGENDA



**Overview of 2023 Performance**



**Financial Update**



**Our Vision for 2024**



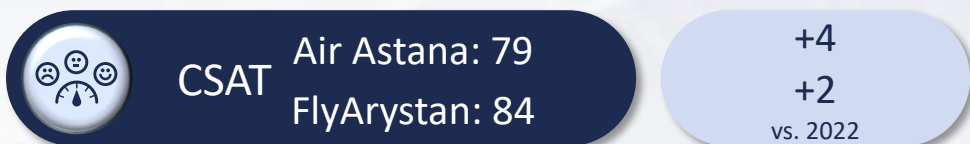
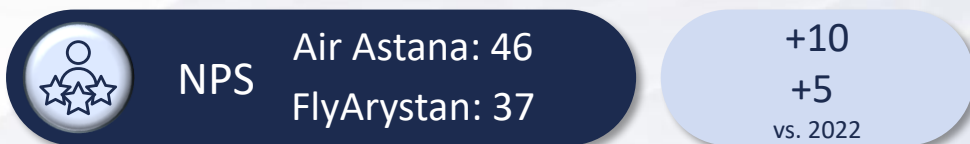
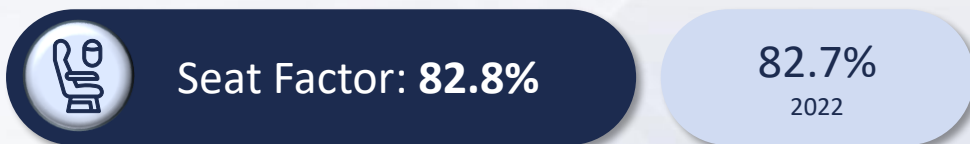
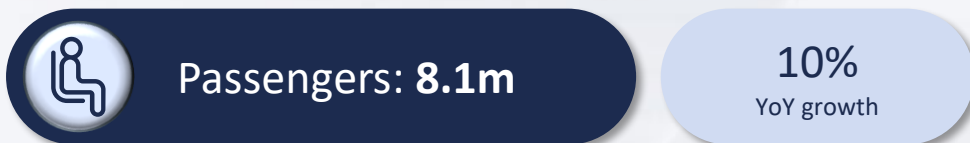
**Appendix**





# **OVERVIEW OF 2023 PERFORMANCE**

# 2023 KEY OPERATIONAL AND FINANCIAL HIGHLIGHTS






## 2023 Financial Highlights

- **Total revenue** of US \$1,174.5M<sup>(1)</sup>, up by 14% YoY
- **EBITDAR** of **US \$300.8M** is up by **4% YoY** (or 16% up on 2022 EBITDAR<sup>(2)</sup> adjusted by EME & FH (2022 – US \$260M))
- **RASK** of **6.64**, up by 2% YoY (4% excluding EME)
- **CASK** of **5.87**, up by 6% YoY (4% excluding FH)
- **Cash** of **US \$274m**
- **Cash to revenue ratio** of **23%** excluding unutilised facilities of US\$ 163.7m (14% of revenue) and post-year end net IPO proceeds of US\$ 107.5m (9% of revenue)
- Net addition of **6 new aircraft** (+2 for Air Astana and +4 for FlyArystan)

Source: Company information.

Notes: (1) Air Astana revenue and other income includes intragroup lease revenues that are eliminated upon consolidation to the Air Astana Group accounts. 2022 revenue includes the impact of partial mobilisation in Russia which caused an extraordinary market event (EME), inflow citizens from Russia to and through Kazakhstan with impact of US \$16.2m. (2) Adjusted EBITDAR for 2022 benefitted from the extraordinary impact of partial mobilization in Russia, as well as a \$12.1m gain from fuel hedging that was not observed in 2023.

# KEY FINANCIAL HIGHLIGHTS BY BRAND

2023			
Revenue <sup>(1)</sup>	US \$1,175m	US \$985m	US \$278m
Adj. EBITDAR <sup>(2)</sup>	US \$301m	US \$282m	US \$72m
Adj. EBITDAR margin	25.6%	28.6%	25.8%
RASK	6.6USc	7.9USc	5.3USc
CASK	5.9USc	6.9USc	4.8USc

Source: Company information.

Notes: (1) Air Astana revenue and other income includes intragroup lease revenues that are eliminated upon consolidation to the Air Astana Group accounts. Revenue in 2022 includes an additional \$16.2m contribution from the inflow of citizens to and through Kazakhstan (partial mobilization in Russia) that was not repeated in 2023. (2) Adjusted EBITDAR for 2022 benefitted from the extraordinary impact of partial mobilization in Russia, as well as a \$12.1m gain from fuel hedging that was not observed in 2023.

# 2023 BUSINESS HIGHLIGHTS AND ACHIEVEMENTS




**Commissioned new flight training Centre**, including full-flight simulator and cabin crew training simulator




Successful completion of the **first six-year C-Check** at own engineering and technical centre in Astana



**Paid dividends** for 2022 in the amount of **US \$16.8M**



Successfully completed **9th IATA operational safety audit (IOSA)**



Signed a Memorandum of Strategic **Partnership with PetroChina Int.** Kazakhstan for SAF production



Network

**4** new routes introduced,  
**2** routes recommenced

Fleet

**2** A320neo/A321LR neo aircraft received (net increase)

Awards

- 'Best Airline in CA and CIS' for 11<sup>th</sup> consecutive time and 'Best Service in CA and CIS' for 2<sup>nd</sup> time by Skytrax
- Several APEX Awards received

Innovation

Development of **new website** to be launched in H1 2024

Others

- **#1 Employer in Transport, #2 across all industries in Kazakhstan**
- Engagement is up by 5% during 2023



**16** new routes introduced

**4** A320neo aircraft (**188** seats) received (net increase)

- 'Best LCC in CA and CIS' by Skytrax
- **One of the twelve 4-Star LCC's globally**

- Crew pad introduction to **digitalise entire cabin**
- Construction of **Dynamic Ancillary Pricing Engine**

- Rollout of iJan to **all airports in Kazakhstan**; **36** kiosks in place
- Launch of streaming **inflight entertainment using BYOD** strategy

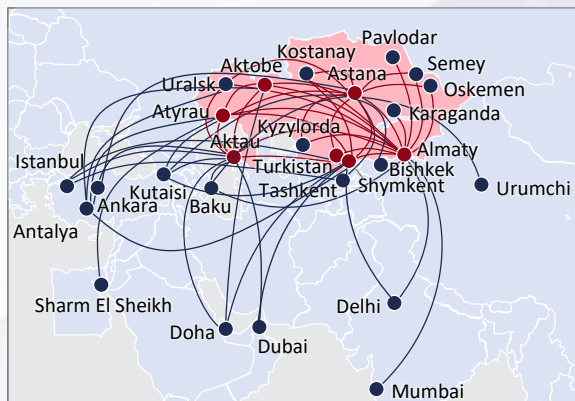


# OUR NETWORK

## FlyArystan Network - 2019





## FlyArystan Network – 2023



Domestic Routes

International Routes

 Routes: 91

 Destinations: 43

-   air astana
-   FlyArystan
-   air astana 
-  Major Hubs

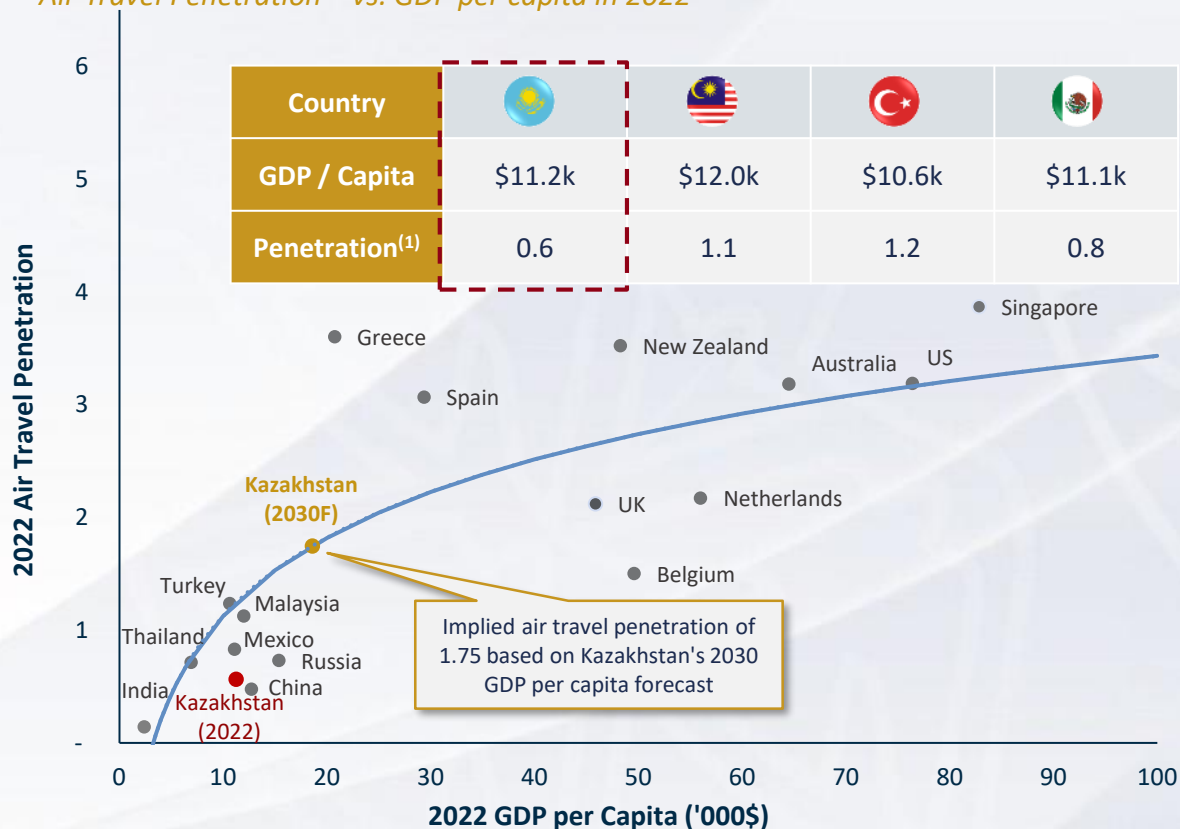
Source: Company information.  
Notes: Map based on routes operated in 2023.

# UNTAPPED POTENTIAL FOR AIR TRAVEL IN KAZAKHSTAN

A clear leader in home market, well positioned for untapped growth opportunities.

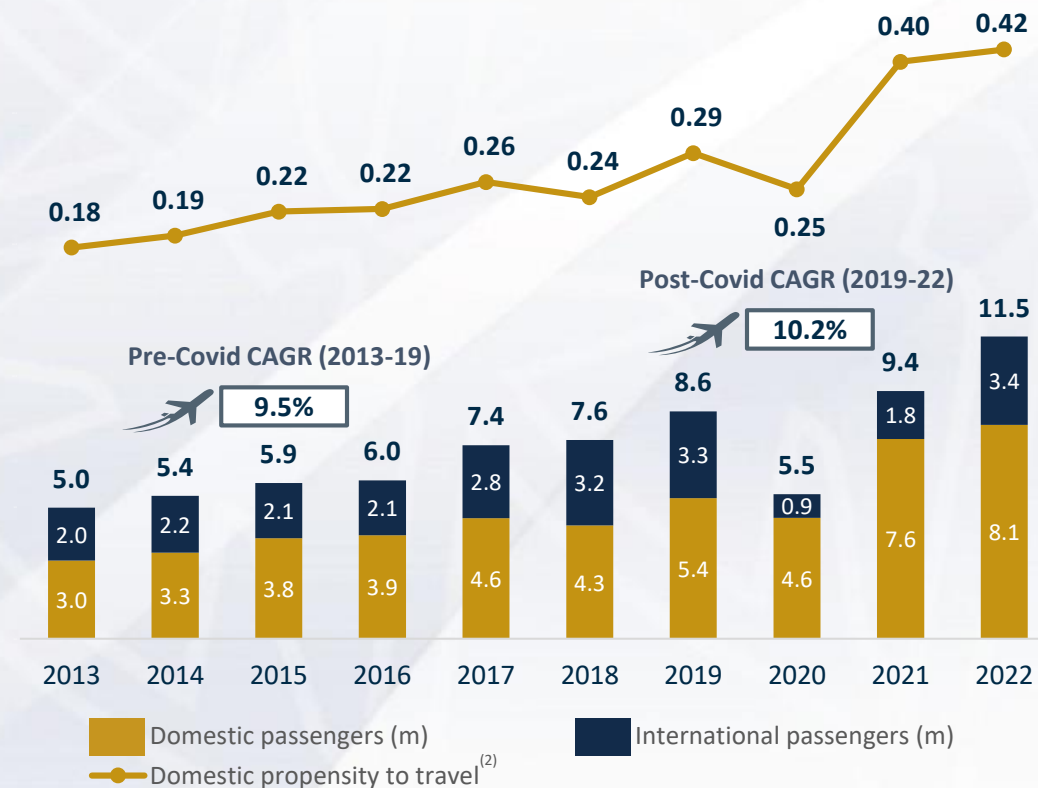
Highly underserved market with low propensity to fly, and significant opportunity for growth...

Air Travel Penetration<sup>(1)</sup> vs. GDP per capita in 2022



Compelling growth historically, with strong rebound post pandemic...

Kazakhstan Air Traffic 2013-2022<sup>(3)</sup>

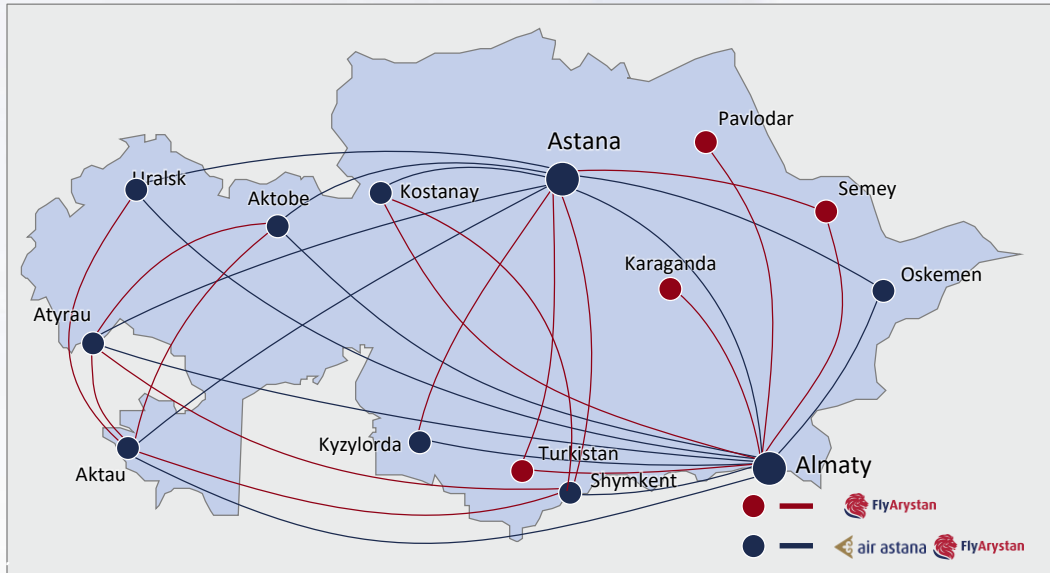


Sources: Company information, EIU, Ministry of the National Economy, Kazakhstan Civil Aviation Committee, Kazakhstan IATA Direct Data Solutions, Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan.  
 Notes: Trend curve corresponds to exponential regression. (1) Total international and domestic departing seats in 2022 / Total Population in 2022 by country. (2) Domestic passengers / total population (at the beginning of the year). (3) Includes both domestic and international air traffic originated from Kazakhstan.

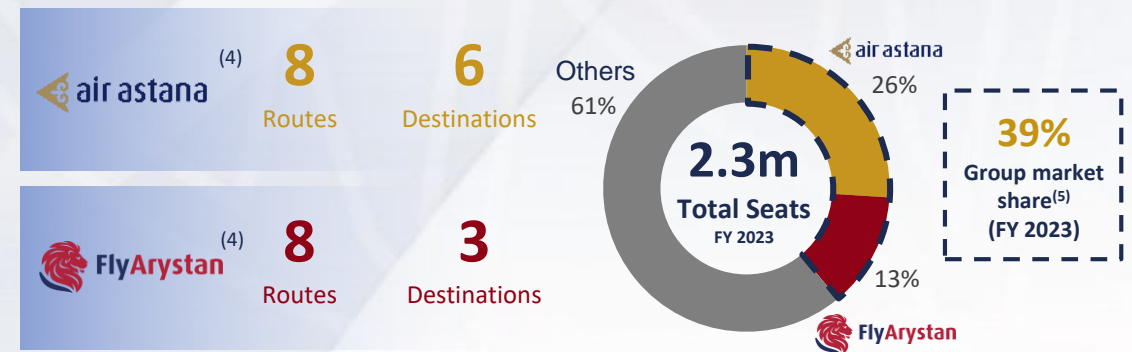
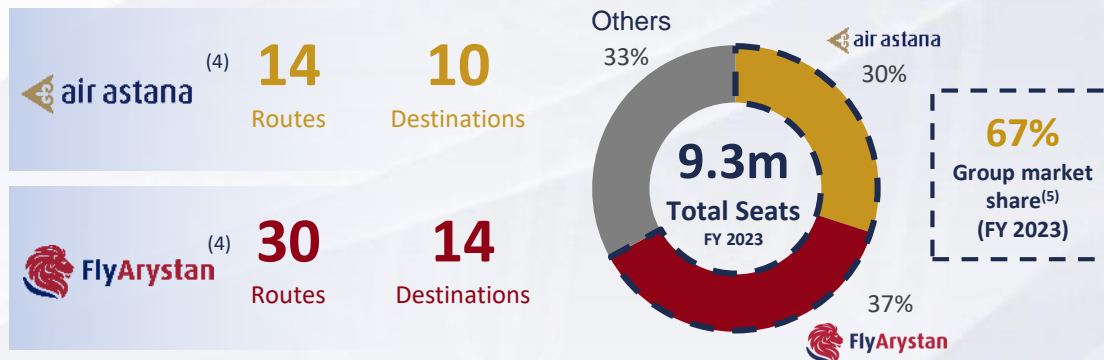
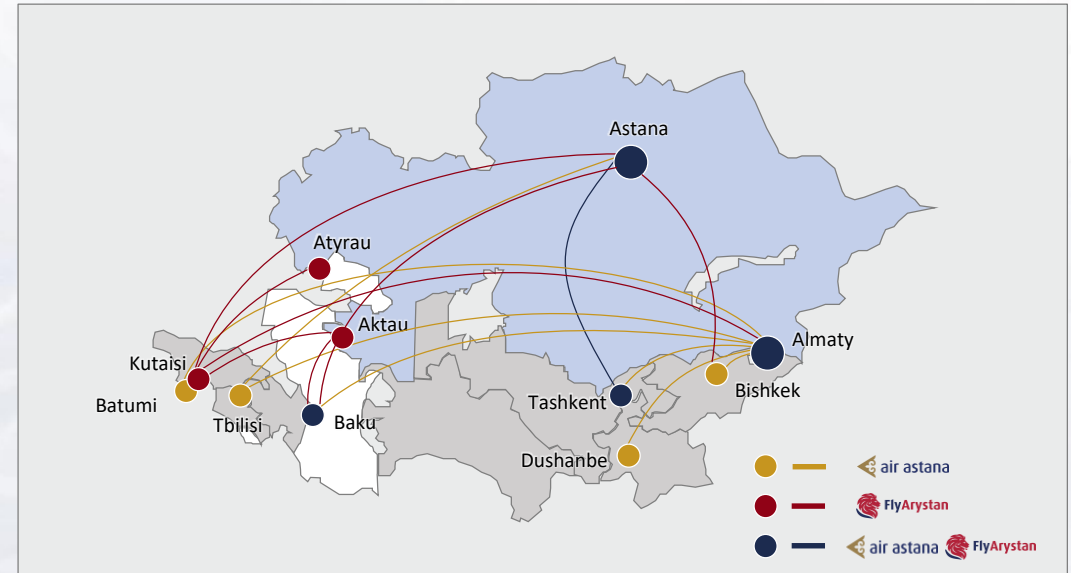
# HOME AND NEAR-HOME MARKET LEADER

The Air Astana Group is still the largest airline group in the Central Asia and Caucasus region based on number of seats and is well positioned for strong growth opportunities in the region.

## #1 Leader in Kazakhstan domestic market<sup>(1)</sup>



## Largest airline group<sup>(1)</sup> in Central Asia / Caucasus region<sup>(2)(3)</sup>



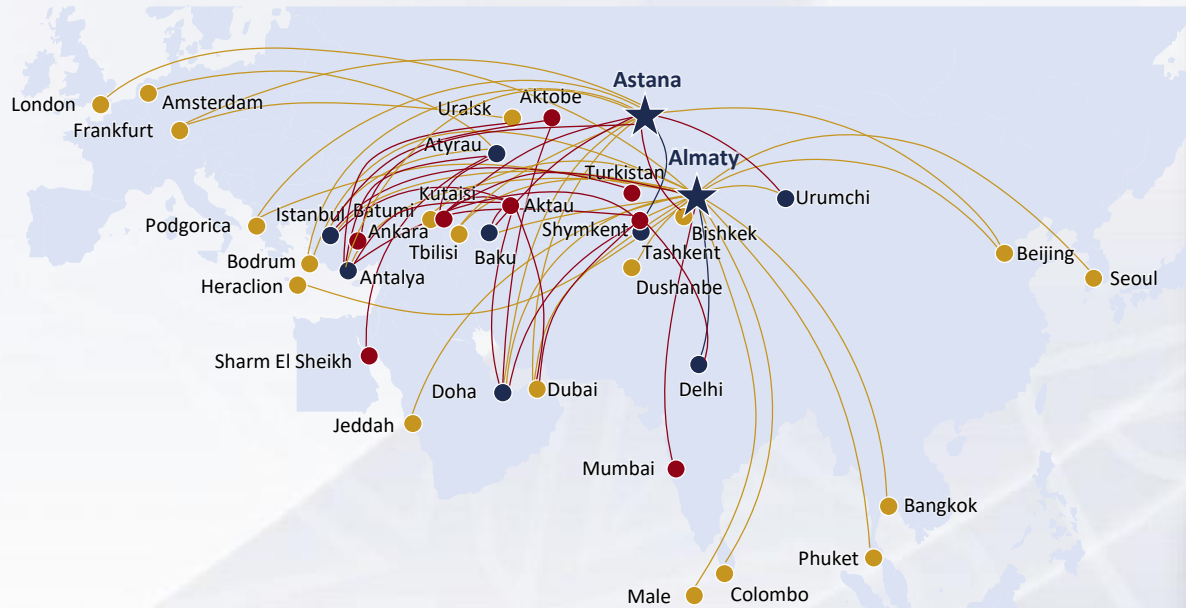
Source: Company information.

Notes: (1) Largest airline in Central Asia and the Caucasus based on departing seats. (2) Map routes based on routes operating at the end of 2023. (3) Central Asia and Caucasus region includes Kazakhstan, Armenia, Azerbaijan, Georgia, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Routes and destinations are for within this region, excluding domestic routes. (4) Based on operating routes at the end of 2023. (5) Based on number of seats.

# GROWING INTERNATIONAL PRESENCE

Leveraging its leading position connecting Central Asia region with the rest of the world, the Air Astana Group has the potential to further strengthen its presence and expand its network internationally.

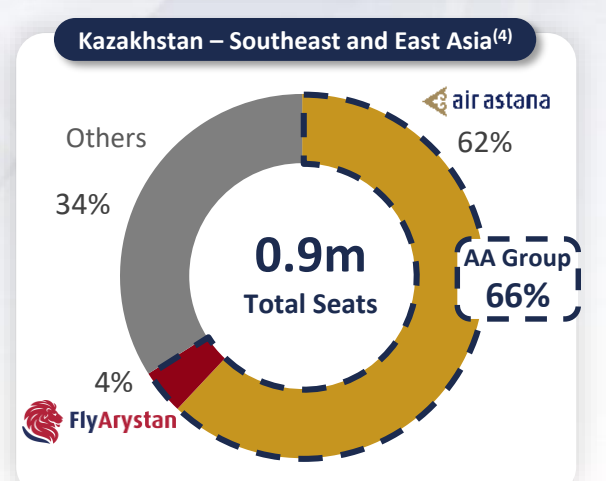
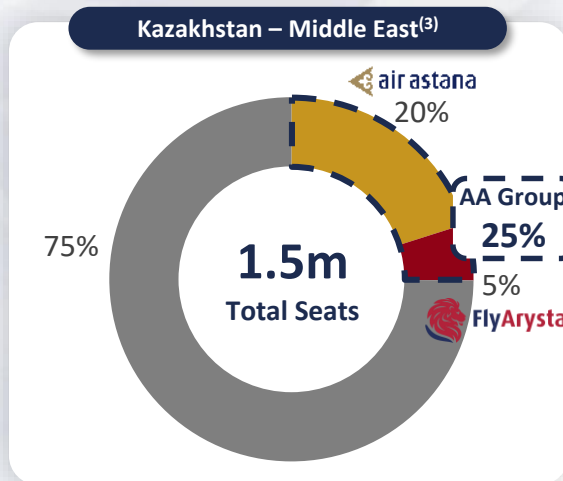
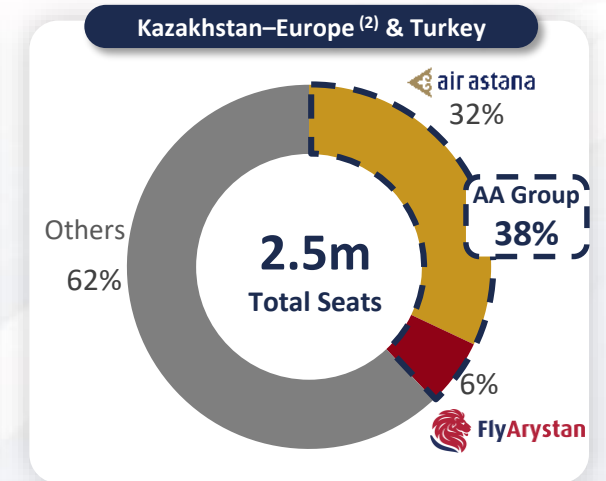
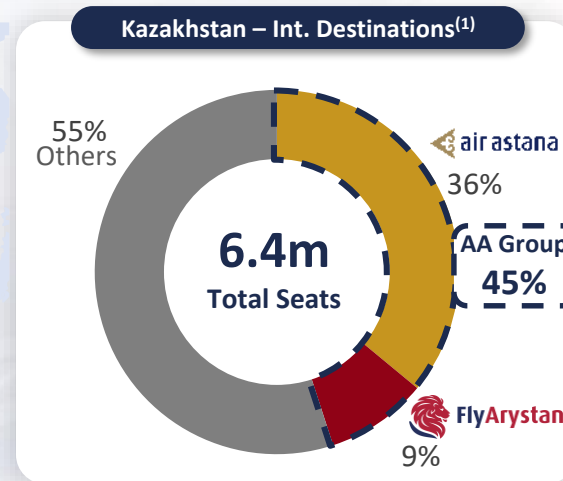
## Growing international network (outside of Central Asia)



air astana Group FY 2023		Revenue <sup>(5)</sup>	Passengers
Domestic		38%	72%
International		62%	28%



## Market Shares for Kazakhstan – International markets (FY 2023)



Sources: Company information, public information.

Notes: Map shows operating routes at the end of 2023. (1) Excludes flights to Russia. (2) Europe includes Germany, United Kingdom, Greece, Hungary, Italy, Montenegro, Netherlands and Poland. (3) Middle East includes United Arab Emirates, Egypt, Israel, Kuwait, Oman, Qatar and Saudi Arabia. (4) Includes China, India, South Korea, Mongolia, Thailand, Pakistan and Maldives. (5) Based on total revenue from passenger and cargo.



# PROFITABLE EXPANSION OF BOTH AIR ASTANA AND FLYARYSTAN

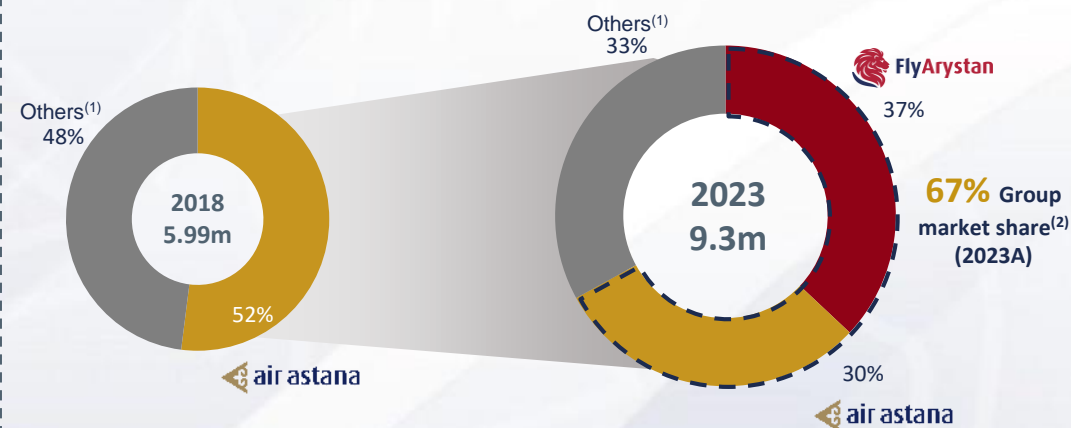
By delivering differentiated strategies, both airlines have been able to grow and gain market share targeting limited cannibalisation and delivering strong financial results and profitability through the double crisis.



Airline	air astana Full-Service Carrier Airline	FlyArystan Low-Cost Carrier Airline
Market Positioning	<ul style="list-style-type: none"> <li>Full-service airline</li> <li>Primary focus on business and “lifestyle” travel</li> </ul>	<ul style="list-style-type: none"> <li>Independently managed LCC business</li> <li>Driver of behavioural change in air travel in Kazakhstan</li> <li>Low-cost market disrupter</li> </ul>
Network & Destinations	<ul style="list-style-type: none"> <li>Mostly point to point</li> <li>Business and “lifestyle” destinations</li> <li>Expanding network of regional and international destinations</li> </ul>	<ul style="list-style-type: none"> <li>Rapidly expanding network in the domestic and near home markets</li> <li>Focus on expanding international destinations within 4-5 hours</li> <li>Diversified base strategy (5 bases)</li> </ul>
Fleet	<ul style="list-style-type: none"> <li>Modern fuel-efficient aircraft</li> <li>Two-class product</li> <li>Young average age across fleet of A320 family, B767 and Embraer E190</li> <li>High aircraft utilisation<sup>(3)</sup> vs. peers</li> </ul>	<ul style="list-style-type: none"> <li>Uniform A320 family aircraft</li> <li>High-density single-class seating</li> <li>180 seat layout (ceo) and 188 seat (neo)</li> <li>High aircraft utilisation<sup>(3)</sup> vs. peers</li> </ul>

## Kazakhstan domestic market share

Kazakhstan domestic market share by no. of seats

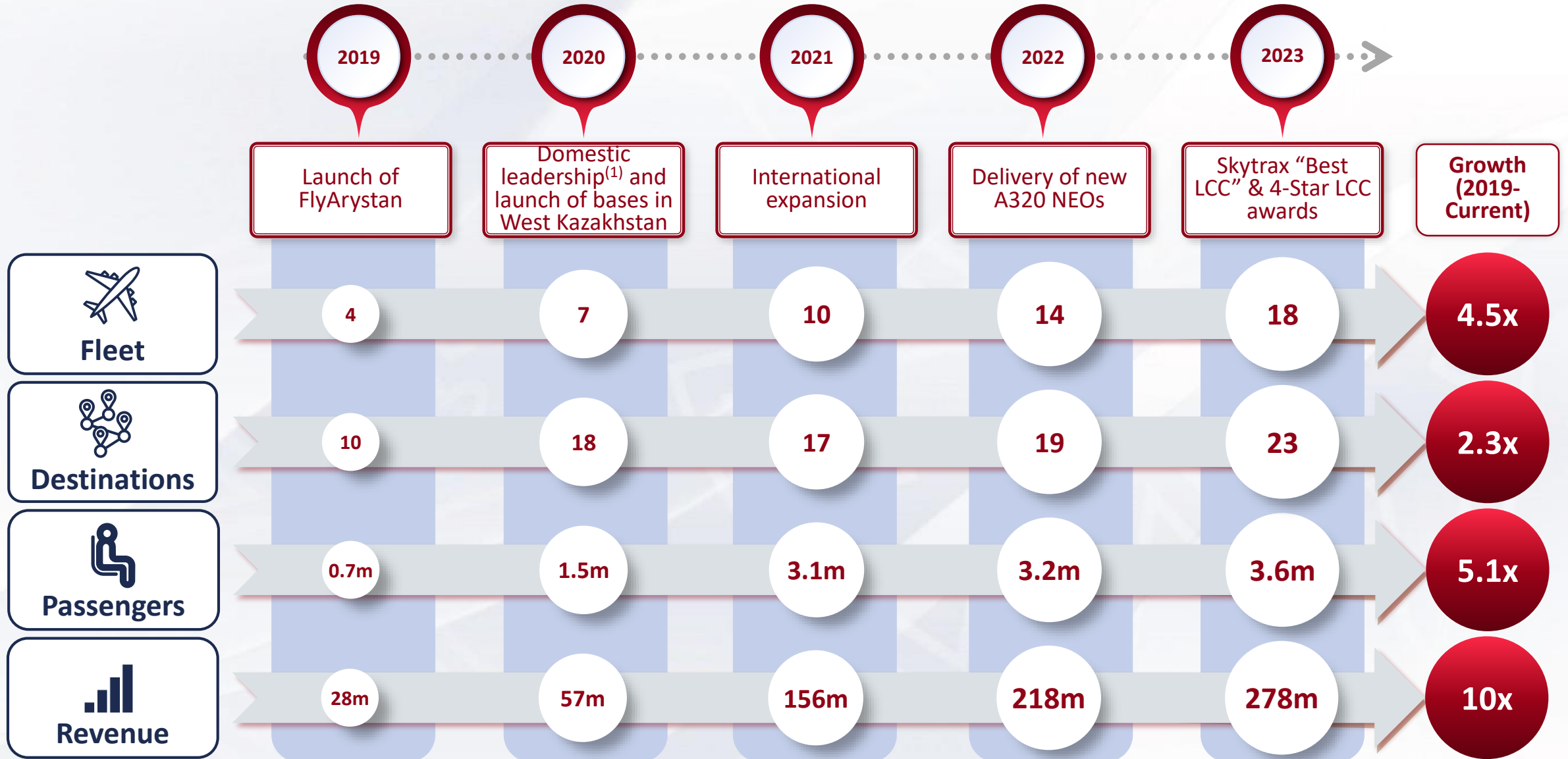


	Adjusted EBITDAR <sup>(4)</sup> Margin (2023)	Adjusted EBITDAR <sup>(4)</sup> CAGR (2018-2023) <sup>(5)</sup>	Load Factor (2023)	Passengers (2023)
air astana	29%	17%	80%	4.4m
FlyArystan	26%	106%	89%	3.6m

Source: Company information.

Notes: (1) Includes SCAT, BEK Air, Qazaq and others. (2) Combined market shares of Air Astana and FlyArystan (2023) based on number of seats. International market share excludes routes to Russia. (3) Asset utilisation defined as total block hours for a period divided by the product of the total number of aircraft in the fleet during the period and the number of days in the relevant period. (4) Air Astana’s EBITDAR includes the net impact of inter-group transactions. (5) For FlyArystan, CAGR is calculated over the 2019–2023 period.

# FLYARYSTAN'S SCALABLE NETWORK



Source: Company information.

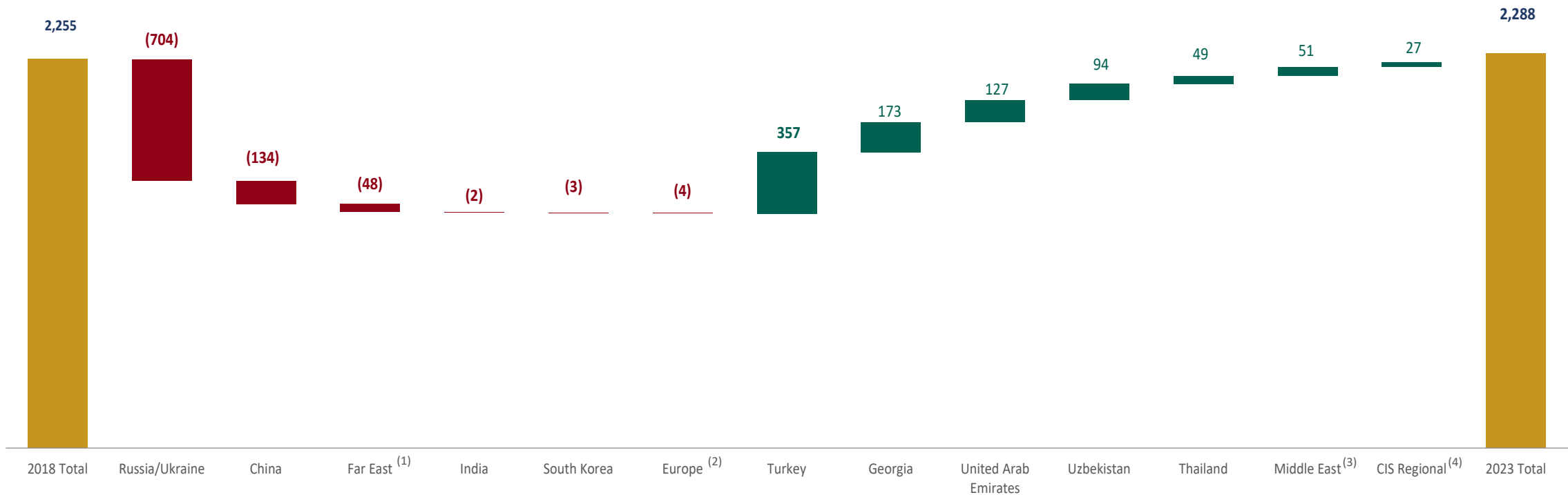
Notes: (1) Transition to domestic market leader.

# PROACTIVE NETWORK REDEPLOYMENT AMID DOUBLE CRISIS

The Air Astana Group's international passenger base has evolved significantly in recent years, with both Air Astana and FlyArystan exiting the Russian/Ukrainian markets and expanding their networks to other international destinations.

## International traffic evolution (2018 –2023)

International passenger numbers in millions

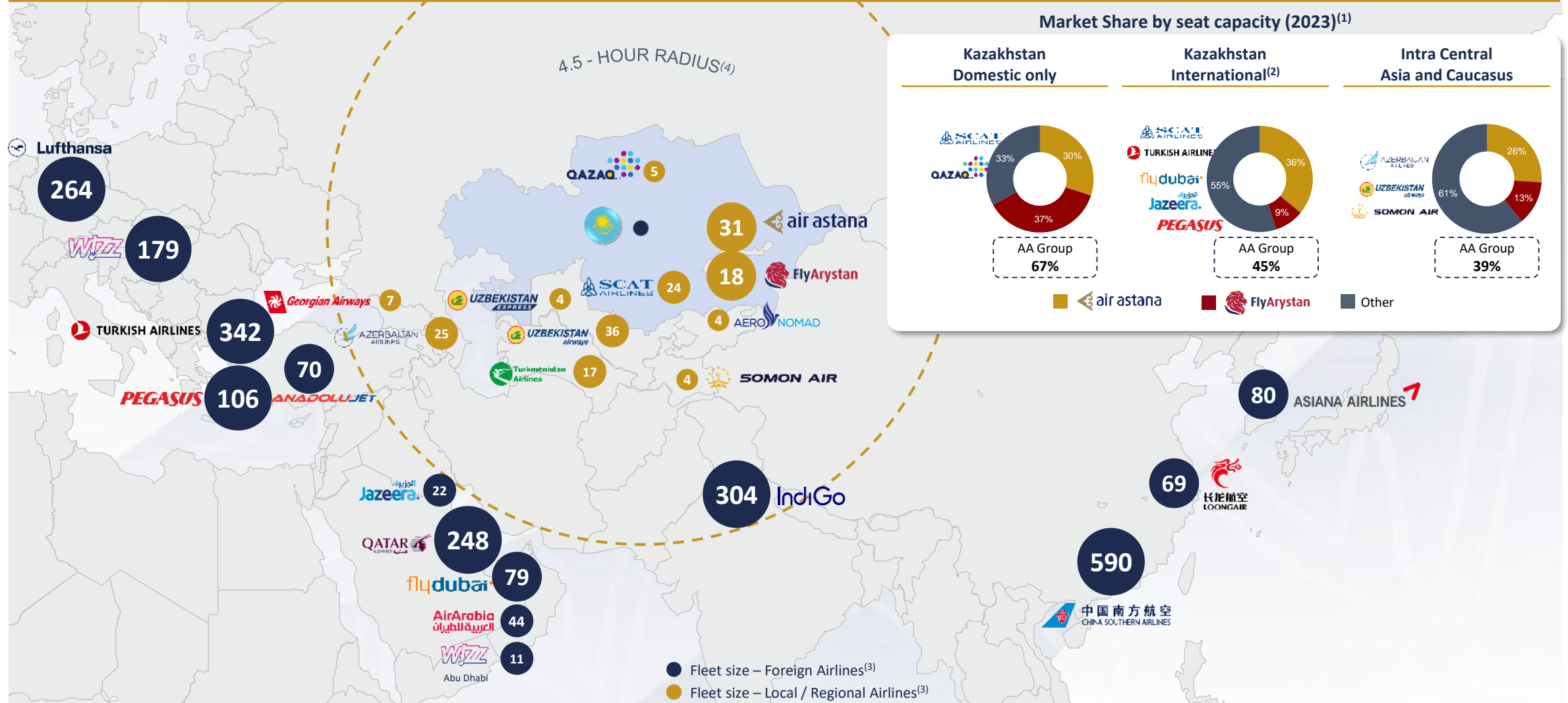


Source: Company Information.

Notes: (1) Includes Malaysia and Vietnam. (2) Includes France, UK, Netherlands, Germany, Montenegro, Greece and Spain. (3) Includes Iran, Maldives, Qatar, Saudi Arabi, Egypt and Israel. (4) Includes Tajikistan, Azerbaijan, Armenia and Kyrgyzstan.

# COMPETITIVELY POSITIONED IN AIR ASTANA GROUP'S TARGET MARKET

The Air Astana Group is the market leader in Central Asia. Its scaled operations in both the full-service and low-cost markets provide them first-mover advantages against competition both in the near home market and beyond.



Sources: Company information, company filings and public information.

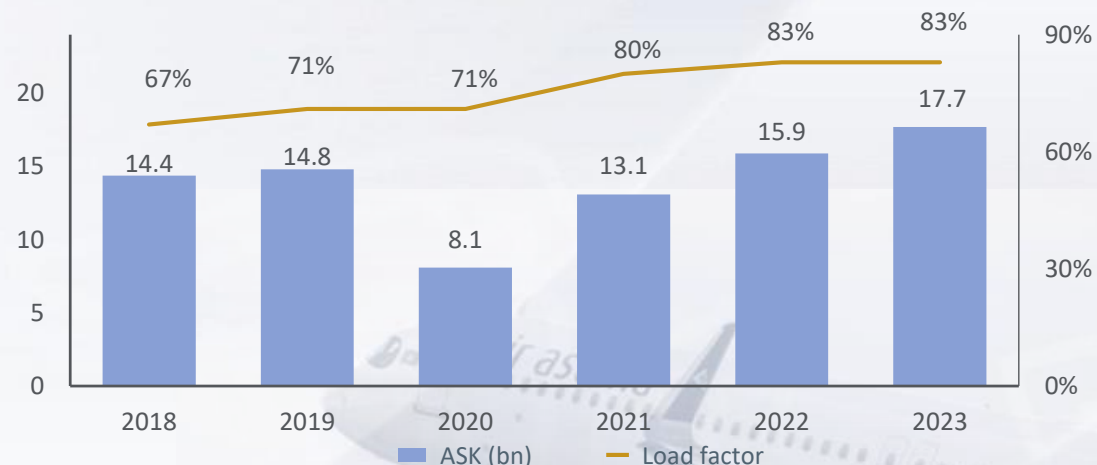
Notes: (1) Market shares based on seat capacity for 2023. (2) Excluding flights to Russia. (3) Fleet size figure based on in-service fleet. Data as of October 2023. (4) Radius based on geographic centre of Kazakhstan.



# FLEET EXPANSION AND CAPACITY MANAGEMENT

Proactive and prudent capacity management to fully capitalise the demand growth and maintain a strong load factor through the cycle; young, modern and fuel-efficient fleet further enhanced through fleet simplification in the medium term

## Growing capacity & strong load factors



## Maintaining young fleet



### Fleet in 2023



### Fleet in 2024E



### Fleet in 2028E



Source: Company information.

Notes: (1) Total growth between 2023A and 2024E. (2) Total growth between 2023A and 2028E.

# RECAP OF PRATT & WHITNEY PW1100G ENGINE SITUATION

Introduced in 2016, GTF engines used in A320 NEOs (the world's best-selling aircraft) come from only two powerplants. In July 2023, Pratt & Whitney issued a product recall of engines due to contaminated material used during manufacturing, causing operational disruptions for airlines worldwide.

## Previous Design Problems Already Solved

- No.3 Bearing Seal
- Knife edge seal
- Gearbox failures
- Low pressure turbine blades
- High N2 vibration
- Combustor durability
- Blade rotor cracks

## Air Astana Mitigating Actions

- The Air Astana Group estimate 34 engine removals during 2024
- Proactive mitigating actions were taken at the early stage, ahead of the industry
  - 7 AC scheduled to be delivered on a net basis in 2024
  - Up to 5 additional A320 CEOs optional capacity in 2024-2025
  - Resting of engines to manage remaining cycles and ensure A320 NEO aircraft are available for peak periods
  - Source additional spare engines to avoid flight disruptions – existing 5 and 3 more expected in 2024 (2 leased and 1 purchased)
- The Company is at a very advanced stage in positive negotiations for an agreement with Pratt & Whitney that will provide compensation and other support

# FUEL-EFFICIENCY WITH HIGHEST SUSTAINABILITY STANDARDS

The Air Astana Group is at the forefront of environmental initiatives with one of the youngest fleet in the industry and continuous efforts to reduce CO2 footprint.

## Environment

### Energy

- Monitoring of electricity and heat consumption
- Consumption optimisation plan
- Energy audit successfully passed in 2022<sup>(1)</sup>

### Emissions

-  **Modern, fuel-efficient fleet** with less carbon emissions compared to industry standard
-  **Trained pilots** on fuel-efficient flying
-  **Sustainable aviation fuel (SAF)** research in collaboration with other stakeholders to study potential of production and consumption of SAF in Kazakhstan
-  **Memorandum of strategic partnership** with PetroChina International Kazakhstan on potential co-operation on Jet A-1 and SAF

### Waste Management

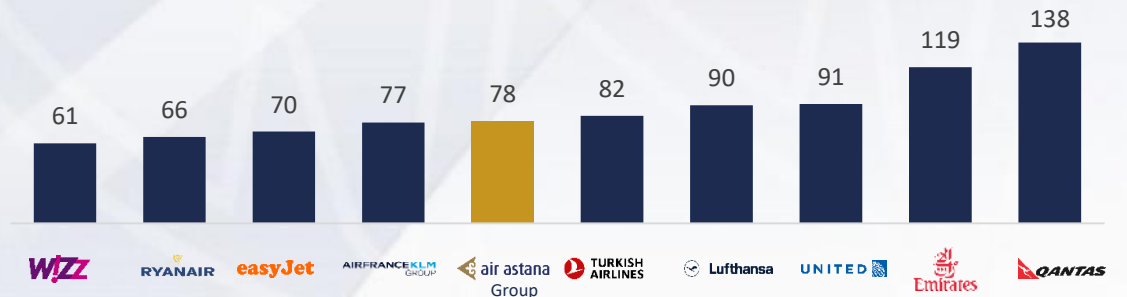
- Ongoing plan to transfer inflight products to biodegradable materials
- Inflight and offices waste sorting and recycling initiatives
- Launch of 'Upcycling for the Future' project to upcycle used aircraft parts

### Environmentally friendly fleet that contributes reduction of emissions

Reduction in CO2 emissions (ton / '000 RPK)



CO2 emissions (g / RPK) in 2022 – Air Astana Group vs. peers



Sources: Company information, public filings.  
Notes: (1) Conducted under Kazakhstan Energy Efficiency Laws.






## **FINANCIAL RESULTS**





# PRELIMINARY FULL YEAR 2023: FINANCIAL HIGHLIGHTS

Robust revenue growth of 14% and Adjusted EBITDAR growth of 16% demonstrate continued ability to grow while managing industry cost headwinds

									
	Preliminary, year ended 31 December			Preliminary, year ended 31 December			Preliminary, year ended 31 December		
Operational	2022	2023	% y.o.y	2022	2023	% y.o.y	2022	2023	% y.o.y
ASKs (billions)	15.9	17.7	11%	11.4	12.5	10%	4.5	5.2	15%
Average aircraft in service	36.5	41.2	13%	25.8	27.0	5%	10.8	14.2	32%
RPKs (billions)	13.2	14.6	11%	9.2	10.0	8%	3.9	4.6	18%
Passenger load factor	82.7%	82.8%	0.1%	81.0%	80.1%	(0.9%)	86.7%	89.2%	2.5%
<b>RASK (US\$ cents)</b>	<b>6.48</b>	<b>6.64</b>	<b>2%</b>	<b>7.70</b>	<b>7.88</b>	<b>2%</b>	<b>4.81</b>	<b>5.34</b>	<b>11%</b>
<b>CASK (ex fuel) (US\$ cents)</b>	<b>4.09</b>	<b>4.29</b>	<b>5%</b>	<b>5.02</b>	<b>5.25</b>	<b>5%</b>	<b>3.02</b>	<b>3.49</b>	<b>16%</b>
CASK (incl. fuel) (US\$ cents)	5.55	5.87	6%	6.56	6.92	5%	4.26	4.83	14%
Financial (US\$ m)	2022	2023	% y.o.y	2022	2023	% y.o.y	2022	2023	% y.o.y
Revenue and other income <sup>(1)</sup>	1,032	1,175	14%	877	984	12%	218	278	27%
<b>Adjusted EBITDAR excluding EME &amp; fuel hedge gains<sup>(2)</sup></b>	<b>260</b>	<b>301</b>	<b>16%</b>	<b>243</b>	<b>282</b>	<b>16%</b>	<b>54</b>	<b>72</b>	<b>32%</b>
<b>Adjusted EBITDAR excluding EME &amp; fuel hedge gains margin<sup>(2)</sup></b>	<b>25.6%</b>	<b>25.6%</b>	<b>0.4%</b>	<b>28.1%</b>	<b>28.6%</b>	<b>0.5%</b>	<b>25.2%</b>	<b>25.8%</b>	<b>0.6%</b>
<b>Adjusted EBITDAR</b>	<b>288</b>	<b>301</b>	<b>4%</b>	<b>267</b>	<b>282</b>	<b>6%</b>	<b>59</b>	<b>72</b>	<b>22%</b>
<b>Adjusted EBITDAR margin</b>	<b>27.9%</b>	<b>25.6%</b>	<b>(2.3%)</b>	<b>30.4%</b>	<b>28.6%</b>	<b>(1.8%)</b>	<b>26.9%</b>	<b>25.8%</b>	<b>(1.1%)</b>
Adjusted EBITDAR excluding intragroup lease revenue	288	301	4%	230	230	0%	59	71	21%

Source: Company information.

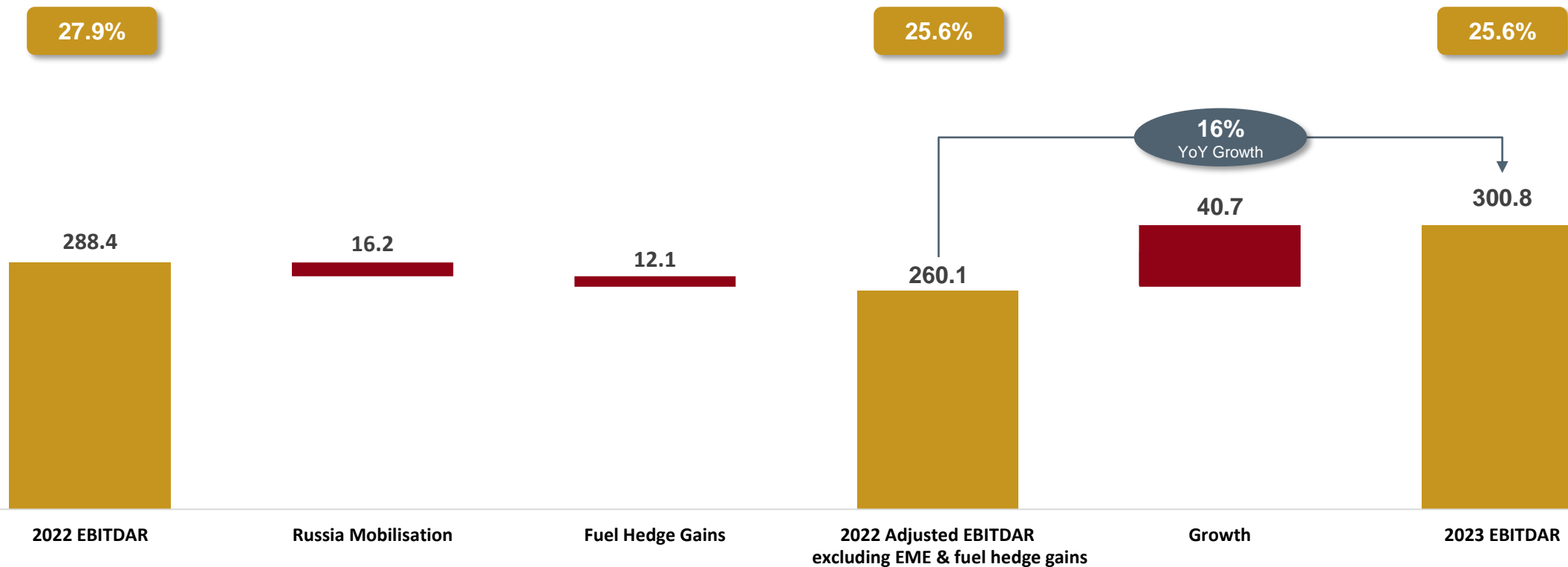
Notes: (1) Air Astana revenue and other income includes intragroup lease revenues that are eliminated upon consolidation to the Air Astana Group accounts. Revenue in 2022 includes an additional \$16.2m contribution from the inflow of citizens to and through Kazakhstan (partial mobilization in Russia) that was not repeated in 2023. (2) Adjusted EBITDAR for 2022 benefitted from the extraordinary impact of partial mobilization in Russia, as well as a \$12.1m gain from fuel hedging that was not observed in 2023.

# CONTINUED OUR STRONG GROWTH IN EBITDAR

Demonstrated continued underlying EBITDAR margin growth despite industry cost headwinds



US\$ m

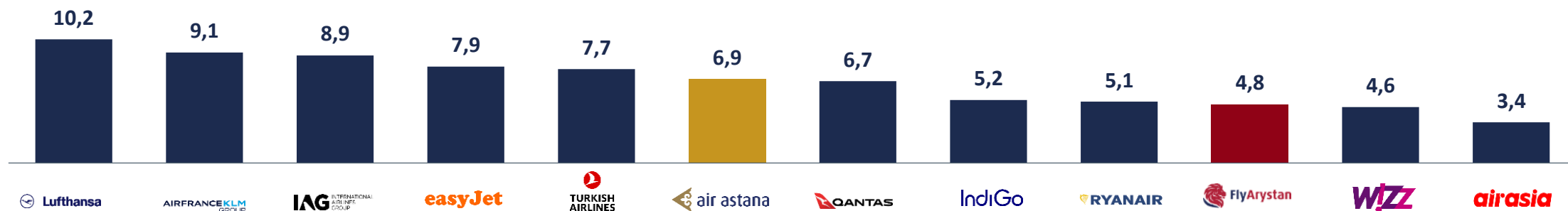


# INDUSTRY LEADING OPERATIONAL PERFORMANCE

Both Air Astana and FlyArystan have efficient cost structures and outperform most of their peers in profitability metrics

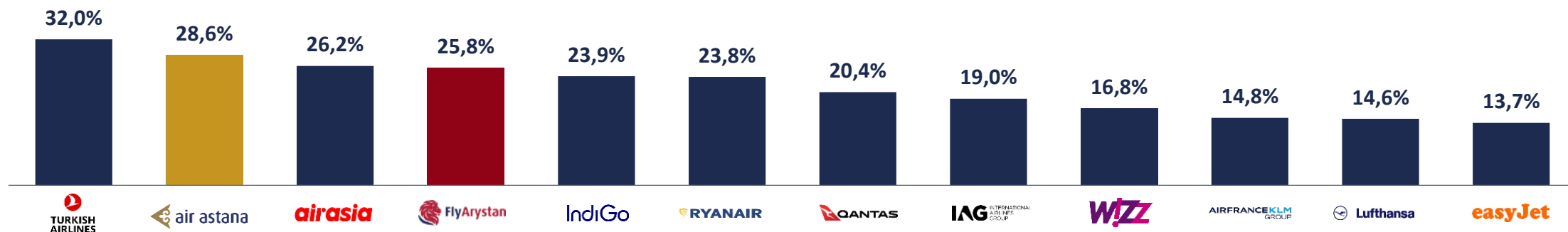
## Cost per ASK in 2023

US\$ cents



## EBITDAR margin in 2023<sup>(1)(2)</sup>

%



Source: Company, public information.

Notes: Metrics are calendarised to December 2023 year-end, except for EasyJet CASK and Turkish Airlines CASK and EBITDAR margin, for which the chart is showing information for LTM Sep 2023. Calendarisation for Ryanair is an estimate based on passenger number and load factor, given the lack of quarterly information on ASK. (1) Air Astana and FlyArystan are shown on a standalone basis, including intragroup revenue. (2) EBITDAR does not have a standardised definition/method of calculation, and EBITDAR of Air Astana may not be comparable to similarly titled metrics of other companies.

# 2023 FINANCIAL HIGHLIGHTS – ASK AND CAPACITY UTILISATION

Successful execution of the fleet expansion strategy in 2023 drives 11% Group ASK growth

## ASK and Capacity Expansion

### Year End Aircraft

34

36

43

49

### Available Seat Kilometres

% of 2019

55%

88%

108%

120%

8.1

13.1

15.9

17.7

1.9

4.1

4.5

5.2

6.2

9.0

11.4

12.5

2020

2021

2022

2023

air astana

FlyArystan

### Load factor

71%

80%

83%

83%

## Overview of Key 2023 Performance Drivers

- **Fleet expansion drives 11.1% ASK growth in 2023**

- Net addition of 6 new aircraft in 2023, focused on narrowbody A320neo fleet to service home and near-home markets
- Fleet growing from 43 aircraft (2022) to 49 aircraft (2023)
- Targeting to add a further 7 net aircraft to the fleet in 2024

- **Particular growth in international traffic to near-home markets**

- International ASK grew by 15.5% versus domestic at 5.9%
- Continued liberalization of air travel and Air Astana's leading market position are supporting air traffic growth of the extended home market
- FlyArystan LCC model stimulating air traffic demand in Central Asia and Caucasus region: exceptional 30.6% international ASK growth in 2023

- **Resilient load factors maintained despite robust capacity growth**

- Load factor of 82.8% consistent with 2022 (82.7%) at Group level
- Particular strength within FlyArystan: increasing load factors from 86.7% to 89.2% while also growing ASK by 14.8% y.o.y



# 2023 FINANCIAL HIGHLIGHTS – UNIT REVENUE PERFORMANCE

RASK expanded by 2.4% in 2023, despite absence of extraordinary revenue impacts that had benefitted RASK in 2022

## Unit Revenue Performance

RASK (US cents)



6.02

7.35

7.70

7.88

RASK (US cents)



3.02

3.84

4.81

5.34

Air Astana Group RASK (US cents)

% of 2019

81%

96%

107%

109%

4,93

5,83

6,48

6,64

2020

2021

2022

2023

## Overview of Key 2023 Performance Drivers

- **Continued track record of RASK expansion despite absence of one-off benefits**
  - Overall RASK growth of 2.4% versus 2022, continuation of positive trend for 3 consecutive years
  - 2022 RASK positively impacted by extraordinary market events due to inflow of citizens from Russia to and through Kazakhstan in Q4, following partial mobilization
  - Excluding this impact YoY RASK growth is 4.0%
- **FlyArystan RASK growth of 11.0% in 2023**
  - RASK growth reflects continued optimization of the network, as well as growth in higher-RASK international markets
  - Ancillary revenues and other revenues<sup>(1)</sup> within FlyArystan grew from 13% in 2022 to 14% in 2023, driving towards mid-term target of 25%
- **Air Astana RASK growth of 2.4% in 2023**
  - Continued optimization of the premium airline offering to drive RASK growth
  - Cumulative RASK growth of 26% since 2019
  - Revenue now at 112% of 2019 levels with 89% ASK of 2019

# 2023 FINANCIAL HIGHLIGHTS – UNIT COST PERFORMANCE

Intense focus on mitigating the cost headwinds that are impacting airlines around the world

## Unit Cost Performance

CASK (US cents)



6.84

6.22

6.56

6.92

CASK (US cents)



3.77

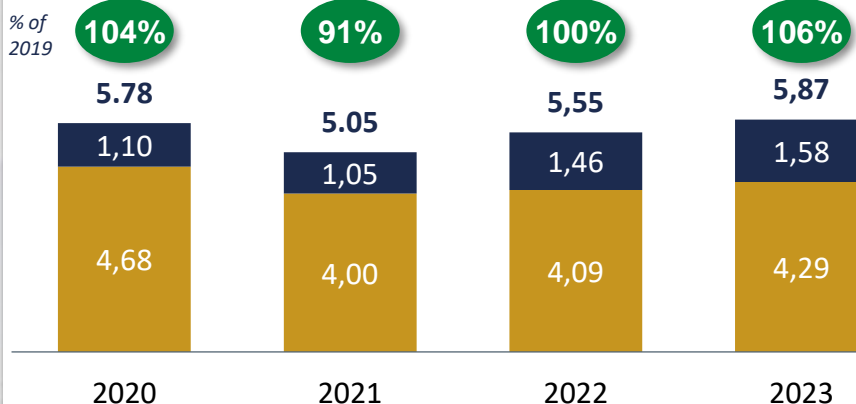
3.70

4.26

4.83

Group CASK (US cents)

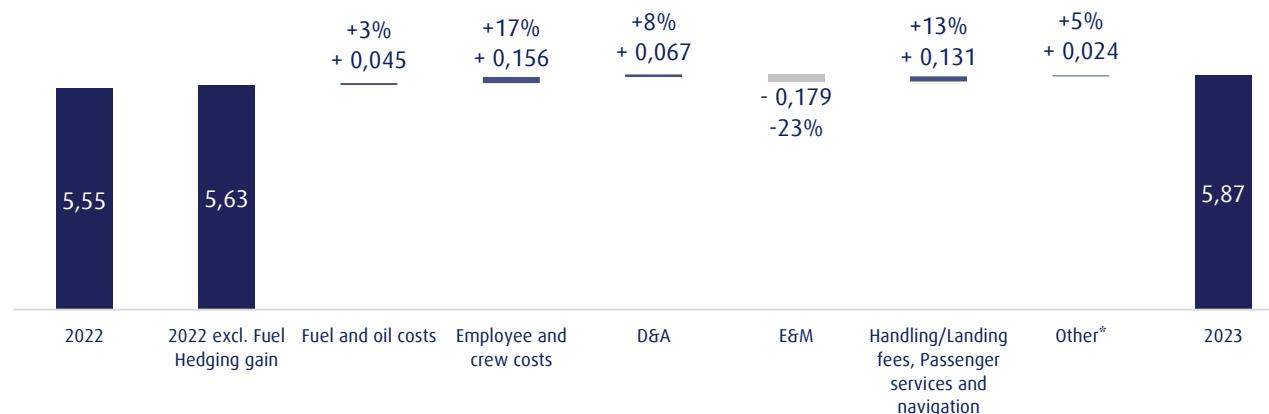
■ Fuel CASK  
■ CASK (ex fuel)



## Overview of Key 2023 Performance Drivers

### • Group CASK growth of 5.8% versus 2022

- CASK ex-fuel grew by 4.9% including the effect of higher employee expenses arising from pilot and crew salary increases
- Fuel component of CASK grew by 8.4%, impacted by non-recurring \$12.1m gain from fuel hedging in 2022 and increase in average fuel price
- D&A CASK grew by 7.9% which is mainly driven by the growth of fleet by 14%. This was partly offset by the reduction in engineering and maintenance costs
- Airport charges are driven by higher growth of international operations with significantly higher charges



# FINANCIAL STRENGTH AND BALANCE SHEET POSITION

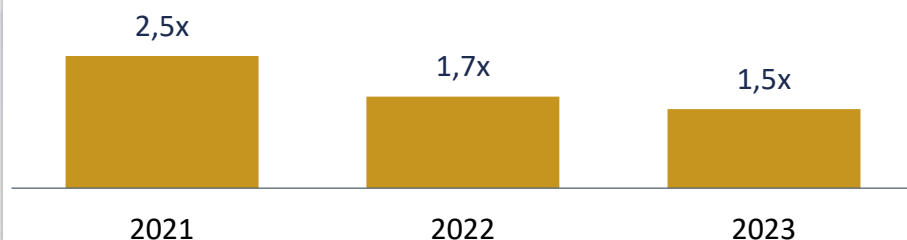
Net debt / Adjusted EBITDAR of 1.5x and cash to revenue ratio of > 30% (including IPO proceeds received post year-end)

## Net Debt Reconciliation

### Net Debt Reconciliation

USD millions (Unaudited)	2022	2023
<b>Net Debt Reconciliation:</b>		
Loans	12.1	0.4
Lease Liabilities	732.8	718.9
<i>Less</i>		
Cash and Bank Balances	252.9	274.0
<b>NET DEBT</b>	<b>492.0</b>	<b>445.3</b>

### Group Net Debt / Adjusted EBITDAR



## Overview of Key Performance Drivers

- **Comfortable net debt position at year end**
  - Group Net Debt / Adjusted EBITDAR declines from 1.7x (2022) to 1.5x (2023) driven by organic cash generation and reduction in year-end lease liability balance
  - Comfortably within targeted mid-term goal of less than 3.0x Net Debt / Adjusted EBITDAR
  - EBRD Loans of US\$ 47.7m (including EBRD loan of US\$ 35m taken in 2023) and finance lease deferrals of US\$ 21.6m were repaid ahead of schedule
- **Reduction in lease liabilities in 2023, despite growth in size of fleet**
  - Driven by premature payment of EXIM deferrals (initiated by the Company) and depreciation of capitalized leases of existing aircraft
- **Liquidity ratio<sup>(1)</sup>**
  - Cash to revenue ratio of 23.3% excluding unutilised facilities of US\$ 163.7m (14% of revenue)



OUR VISION FOR 2024





# MID-TERM GUIDANCE: DELIVERING WORLD-CLASS GROWTH AND MARGINS

## OUR STRATEGIC PILLARS



GROWTH



EFFICIENCY



EXCELLENCE

## UNDERPINNING OUR MEDIUM-TERM TARGETS...

### Robust Growth

- ✓ 80 aircraft by 2028
- ✓ 10 – 20% ASK mid-term CAGR for Air Astana
- ✓ 15 – 25% ASK mid-term CAGR for FlyArystan

### Sustainable Profitability

Group Adjusted EBITDAR margin in the mid-to-high 20% range in the mid-term notwithstanding expected cost inflation outpacing growth in unit revenue in YE2024

### Prudent Capital Structure

- ✓ Greater than 25% year-end cash to revenue ratio over the medium-term
- ✓ Less than 3.0x Net Debt / Adjusted EBITDAR over the medium-term

## ... AND SUPPORTING EXCEPTIONAL SHAREHOLDER RETURNS

EPS Growth

Dividends

*Targets and policies provided in this presentation are forward looking and are subject to risks, uncertainties and assumptions. The Air Astana Group can give no assurances that such targets, or compliance with such policies, will be achieved or realised. In particular, the extent to which the acceleration of shop inspections of Pratt & Whitney PW1100G engines, impacting approximately 600 to 700 engines worldwide, impacts Company engines beyond the levels factored into the targets above, remains an uncertainty to which the near-term and mid-term guidance is subject*

# OUR NEAR-TERM STRATEGIC PRIORITIES

## Fleet Expansion

- Continued execution of our fleet expansion and simplification strategy: expecting to take delivery of 7 x A320neo family (4 x FlyArystan, 3 x Air Astana) and start phasing out E2 fleet. Optional CEO capacity
- Utilise increased fleet to expand the route network in domestic, near-home and adjacent international markets; while also increasing density on existing high-demand routes



## Cost Leadership

- Effectively manage costs in inflationary environment and optimise unit revenues
- Expanding simulator capacity by introducing second unit
- Expand maintenance capability to 12Y check for Airbus fleet
- Commence investment in a second hangar in Almaty Airport to expand internal maintenance capabilities for an increased fleet size
- International fuel uplift was fully hedged for H1 at levels 80-85\$ (call options, no downside risk)



## Strong Profitability

- Maintain high load factors on all flights to maximise revenue across both brands
- Development of higher margin international markets that are less exposed to winter demand changes
- Development of ancillary revenue, especially at FlyArystan with new products to enhance revenue and improve customer retention



## Operational Excellence

- Proactively manage industry headwinds from PW1100G powder contamination issues mitigated by engine resting, additional aircraft and purchase/lease of 3 spare engines in addition to existing 5
- Launch of the new Almaty Terminal in mid 2024, doubling capacity at our main hub
- Separate AOC for FlyArystan to enhance further growth
- Investment in ground equipment to ensure safe and cost-efficient operations
- Launch of new Air Astana website with modules integrated to enhance customer experience and conversion ratio
- Launch upgraded dynamic ancillary pricing software at FlyArystan to drive revenue opportunities





## Appendix



## A. COMPANY INFORMATION





# SELECTED OPERATING AND OTHER DATA

## Selected operating and other data

Years ended 31 December

(unaudited)	2023	2022	2021	2020
<b>Available seat kilometres (ASKs) (bn)</b>	<b>17.7</b>	<b>15.9</b>	<b>13.1</b>	<b>8.1</b>
Air Astana	12.5	11.4	9.0	6.2
FlyArystan	5.2	4.5	4.1	1.9
<b>Departures ('000)</b>	<b>55.1</b>	<b>51.8</b>	<b>47.1</b>	<b>30.8</b>
Air Astana	32.7	30.9	26.5	21.0
FlyArystan	22.4	20.9	20.6	9.8
<b>Average stage length (kilometres) ('000)</b>	<b>1.9</b>	<b>1.8</b>	<b>1.6</b>	<b>1.6</b>
Air Astana	2.2	2.2	2.0	1.8
FlyArystan	1.3	1.2	1.1	1.1
<b>Block hours ('000)</b>	<b>147.9</b>	<b>134.5</b>	<b>110.2</b>	<b>74.5</b>
Air Astana	103.8	95.0	74.5	57.7
FlyArystan	44.1	39.5	35.7	16.8
<b>Average aircraft in service</b>	<b>41</b>	<b>37</b>	<b>31</b>	<b>28</b>
Air Astana	27	26	22	23
FlyArystan	14	11	9	5
<b>Aircraft – end of period in service</b>	<b>44</b>	<b>39</b>	<b>36</b>	<b>32</b>
Air Astana	27	27	26	25
FlyArystan	17	12	10	7
<b>Average daily aircraft utilisation (hrs)</b>	<b>9.8</b>	<b>10.1</b>	<b>9.6</b>	<b>7.2</b>
Air Astana	10.5	10.1	9.4	6.9
FlyArystan	8.5	10.1	10.6	8.7

## Selected operating and other data (cont.)

Years ended 31 December

(unaudited)	2023	2022	2021	2020
<b>Passengers (m)</b>	<b>8.1</b>	<b>7.3</b>	<b>6.6</b>	<b>3.7</b>
Air Astana	4.4	4.1	3.6	2.2
FlyArystan	3.6	3.2	3.1	1.5
<b>Average seats per departure</b>	<b>171.2</b>	<b>167.7</b>	<b>171.7</b>	<b>160.6</b>
Air Astana	163.6	159.4	165.9	151.8
FlyArystan	182.3	179.8	179.1	179.5
<b>Revenue passenger kilometres (RPKs) (bn)</b>	<b>14.6</b>	<b>13.2</b>	<b>10.4</b>	<b>5.8</b>
Air Astana	10.0	9.2	7.0	4.2
FlyArystan	4.6	3.9	3.4	1.6
<b>Load factor (%)</b>	<b>83%</b>	<b>83%</b>	<b>80%</b>	<b>71%</b>
Air Astana	80%	81%	78%	67%
FlyArystan	89%	87%	83%	83%
<b>Fuel cost per ASK (U.S. cents)</b>	<b>1.6</b>	<b>1.5</b>	<b>1.0</b>	<b>1.1</b>
Air Astana	1.7	1.5	1.1	1.1
FlyArystan	1.3	1.2	0.9	1.0



# SELECTED OPERATING AND OTHER DATA (CONTINUED)

## Selected operating and other data (cont.)

Years ended 31 December

(unaudited)	2023	2022	2021	2020
<b>Fuel tonne consumed ('000)</b>	<b>348.1</b>	<b>319.9</b>	<b>261.9</b>	<b>170.4</b>
<b>Revenue passenger kilometres (RPKs) (bn)</b>	<b>253.6</b>	<b>231.8</b>	<b>183.1</b>	<b>132.4</b>
FlyArystan	94.5	88.1	78.9	38.0
<b>Employees (FTE) – end of period</b>	<b>5,589</b>	<b>5,341</b>	<b>4,683</b>	<b>4,495</b>
Air Astana	4,965	4,778	4,196	4,117
FlyArystan	624	563	487	378
<b>Average revenue per passenger (US \$)</b>	<b>145.2</b>	<b>140.5</b>	<b>115.1</b>	<b>108.2</b>
Air Astana	221.9	213.7	185.7	167.4
FlyArystan	76.1	67.2	51.1	39.2
<b>RASK (US cents)</b>	<b>6.6</b>	<b>6.5</b>	<b>5.8</b>	<b>4.9</b>
Air Astana	7.9	7.7	7.4	6.0
FlyArystan	5.3	4.8	3.8	3.0
<b>Yield (US cents)</b>	<b>8.0</b>	<b>7.8</b>	<b>7.3</b>	<b>6.9</b>
Air Astana	9.8	9.5	9.4	8.9
FlyArystan	6.0	5.6	4.6	3.6
<b>CASK (US cents)</b>	<b>5.9</b>	<b>5.6</b>	<b>5.0</b>	<b>5.8</b>
Air Astana	6.9	6.6	6.2	6.8
FlyArystan	4.8	4.3	3.7	3.8
<b>CASK (excluding fuel) (US cents)</b>	<b>4.3</b>	<b>4.1</b>	<b>4.0</b>	<b>4.7</b>
Air Astana	5.2	5.0	5.1	5.7
FlyArystan	3.5	3.0	2.7	2.8

# SUPPLEMENTARY DATA

## Selected historical traffic data

*Years ended 31 December*

<b>(unaudited)</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Available seat kilometres (ASKs) (bn)	14.8	14.3	13.6
Departures ('000)	47.5	44.7	43.9
Load factor (%)	71%	67%	67%
Passengers (m)	5.1	4.3	4.2
International passengers (m)	2.3	2.3	2.0
Domestic passengers (m)	2.8	2.1	2.2
CASK (US cents)	5.5	5.6	5.2



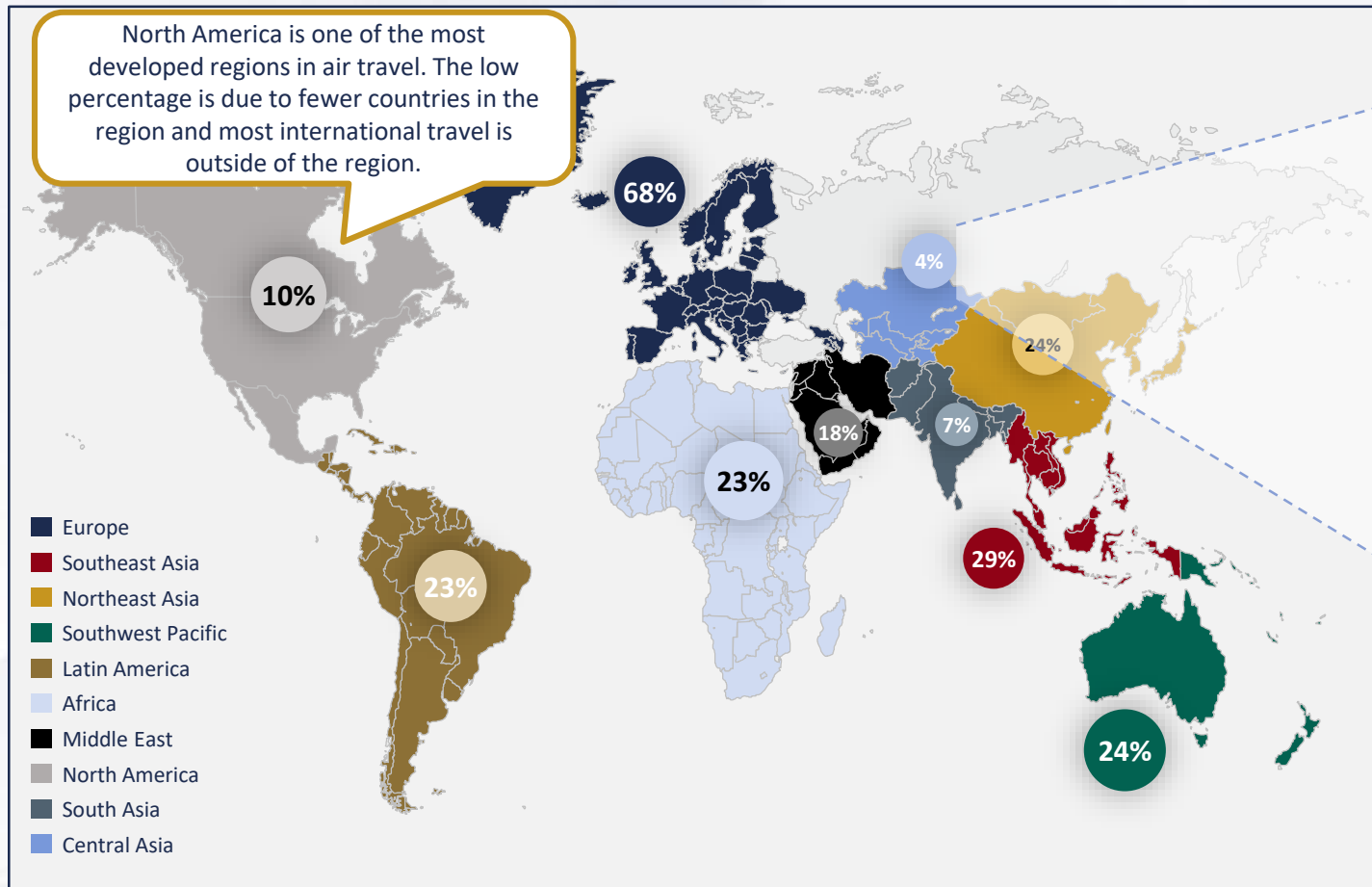
## B. MARKET OPPORTUNITIES



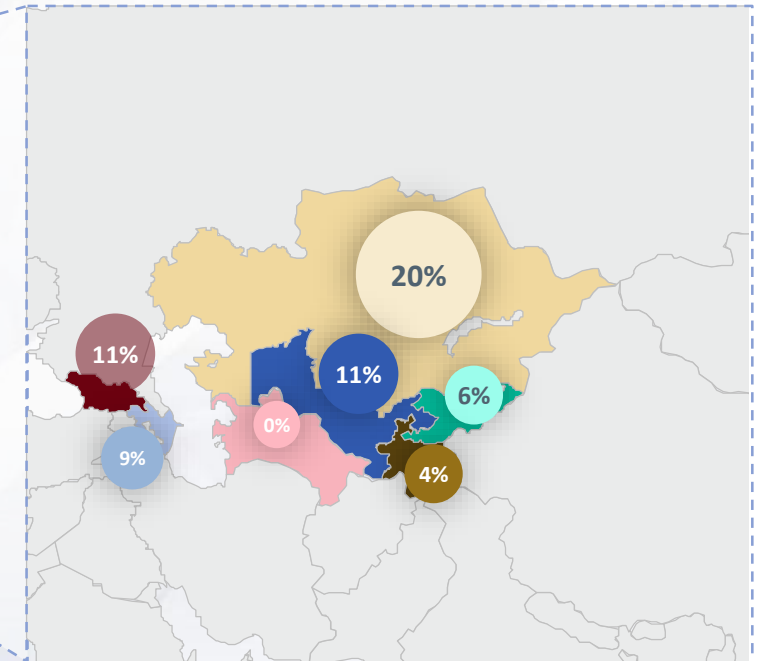
# OPPORTUNITIES FOR GREATER CONNECTIVITY IN CENTRAL ASIA

Despite substantial growth in the past decade, the aviation market within Central Asia is still deeply underserved and presents significant opportunity for greater intra-regional connectivity.

## Intra-regional connectivity by region (2022)<sup>(1)</sup>



## Kazakhstan has the most developed connectivity in the region (2022)<sup>(1)(2)</sup>



- Kazakhstan
- Uzbekistan
- Kyrgyzstan
- Tajikistan
- Turkmenistan
- Azerbaijan
- Georgia

Sources: "Low-Cost Carrier Opportunities, Air Transport Liberalization, and Post-Pandemic Recovery in CAREC - September 2023" by Asian Development Bank.

Notes: (1) Intra-regional seat capacity as a percentage of total international seat capacity (2022). (2) Central Asia and Caucasus region, i.e., Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, Turkmenistan, Azerbaijan, Georgia, Mongolia, and Pakistan.

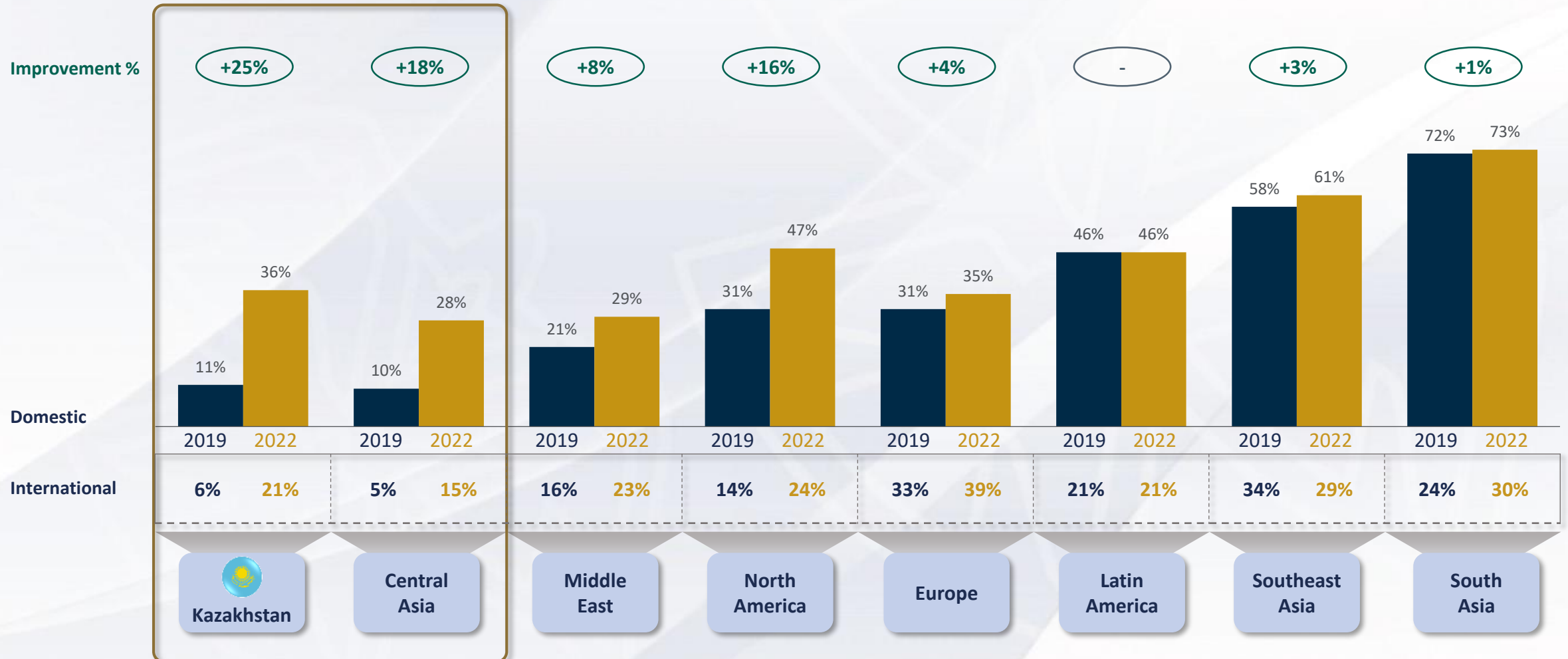




# COMPELLING GROWTH OPPORTUNITY IN LCC MARKET

Central Asia and in particular, Kazakhstan, has witnessed a significant increase in LCC penetration rate since the launch of FlyArystan.

Low-cost carrier penetration rate<sup>(1)</sup>



Source: "Low-Cost Carrier Opportunities, Air Transport Liberalization, and Post-Pandemic Recovery in CAREC - September 2023" by Asian Development Bank.  
Notes: (1) Seats flown by LCCs as a percentage of total seats flown (all carriers).

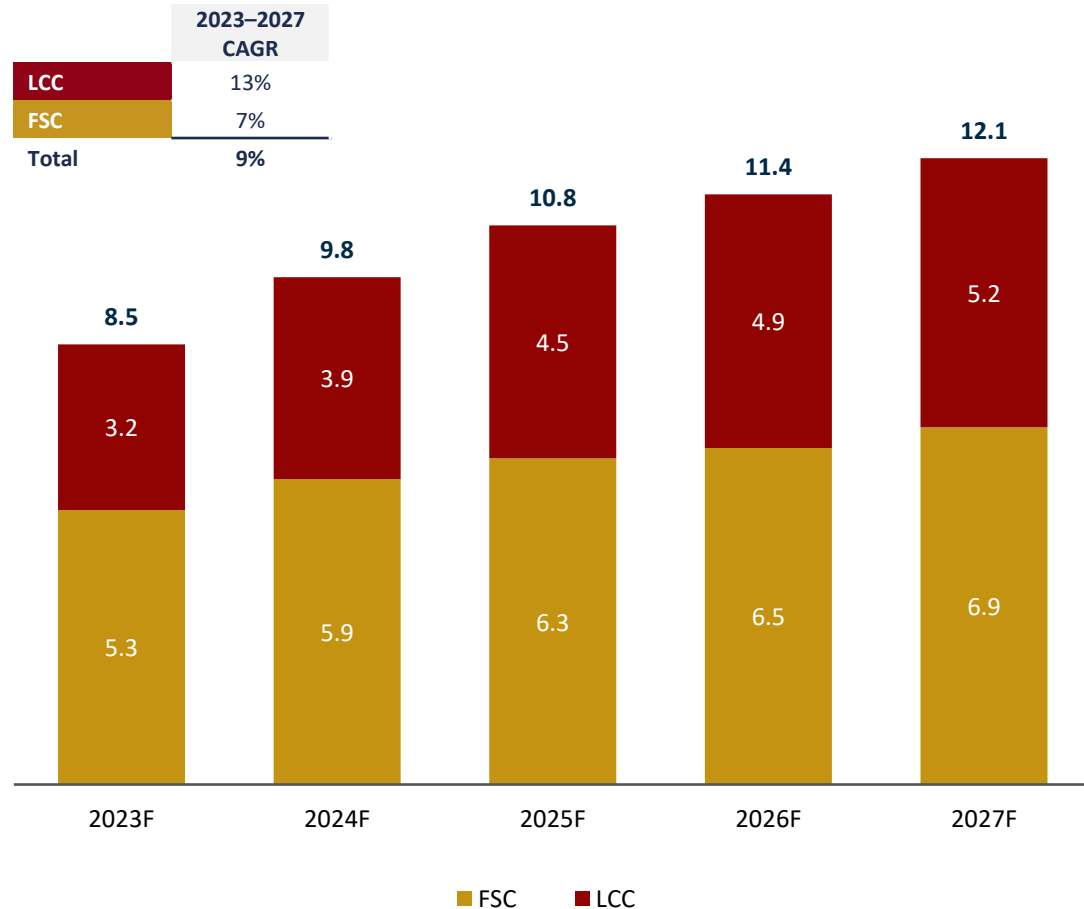
Penetration rate in 2022 minus penetration rate in 2019

# DOMESTIC AND INTERNATIONAL AIR TRAFFIC OUTLOOK

Domestic market today contributes more traffic, but the international market is expected to see higher growth, with international passengers nearly doubling between 2023 and 2027, reaching the same level as the domestic market by the end of 2027.

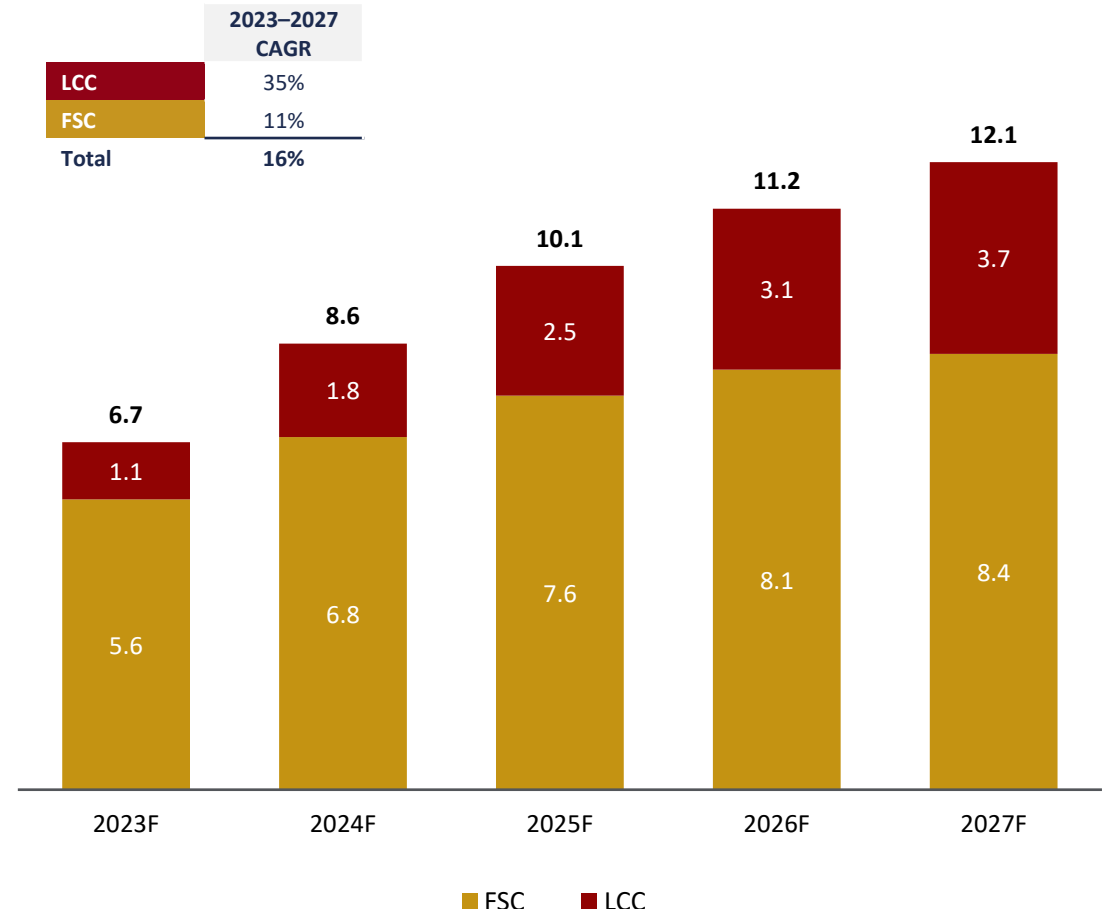
## Kazakhstan domestic traffic outlook (by IATA)

Annual passengers in millions



## Kazakhstan international traffic outlook (by IATA)

Annual passengers in millions



Sources: IATA.

# FROM THE HEART OF EURASIA, WE ARE BUILDING A WORLD CLASS AIRLINE

## Growth

Significantly expand the fleet in near to medium term

Capitalise on diverse growth opportunities across domestic, regional and international routes

Support FlyArystan on its growth trajectory

Maintain agility to reshape and expand route network as required

Develop non-core growth avenues incl. ancillary



## Efficiency

Operate modern and fuel-efficient aircraft

Maintain highly competitive CASK levels

Further improvement in productivity and operational efficiency via new technologies and higher employee engagement

Progress our Airline Performance Excellence Programme (APEX) and drive continuous improvement and efficiency



## Excellence

Continued focus on improving customer experience

Attract best talent to help grow the business

Capitalise on capabilities of world-class training center to maintain highest standards

Implementation of our fully integrated corporate sustainability strategy in 2023, focusing on ESG



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