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Alliance Aviation Services Limited (ASX code: AQZ)

2024 Annual General Meeting

Chairman's Address

Welcome everyone to today's AGM.

The 2024 financial year stands out as Alliance's most successful operational and financial year to date. It marked the first full year benefitting from the fleet expansion program initiated in June 2020.

This record performance was achieved while the Company continued to invest in additional aircraft and supporting infrastructure, ensuring capacity to meet current and future demand.

The 2024 Annual Report highlighted a number of milestones including:

- A record 104,545 total flight hours
- A record 73,116 wet lease hours
- Record revenue and income for \$646.8 million
- A record statutory Profit Before Tax of \$86.3 million
- A record 72 aircraft in service
- A record staff count of 1,413 FTE
- 65% of the Group's flying activity under long-term contracts

These achievements reflect the dedication of all Alliance employees, who should take pride in their accomplishments during FY24.

Board of Directors

As previously advised, the company has focused on succession planning across various areas of the business, including the composition of the Board of Directors. I want to take a moment to acknowledge two of my fellow Directors who have elected to retire at this Annual General Meeting after providing us with sterling service.

Mr. David Crombie, AM, Chair of the Nomination and Remuneration Committee, and Mr. Peter Housden, Chair of the Audit Committee, have both made invaluable contributions to Alliance since its listing in December 2011. On behalf of our employees, shareholders, and all other stakeholders, I extend my sincere thanks to you both for your strategic guidance and support to the Company. Both the Company and I have greatly benefited from your expertise and counsel.

To fill the vacancies, the Company is today seeking shareholder approval for the election of two new non-executive Directors, Mr. James Jackson and Mr. Mark Stanton. Both James and Mark are highly experienced company directors with extensive backgrounds in ASX-listed and private companies, and they will bring diverse skillsets that will further strengthen our Board.

Qantas Transaction

In October 2023, Alliance and Qantas mutually agreed to terminate the proposed Scheme of Arrangement following opposition from the ACCC. Whilst this was not the outcome we anticipated, Alliance has continued to grow and expand, with Qantas remaining a significant shareholder and a key customer.

Shareholders

We would like to thank all our shareholders for their continued support.

Fleet Expansion

Alliance continues its fleet expansion, with additional AerCap aircraft deliveries still pending. The financing facilities required to complete the remaining 16 purchases are now in place.

Due to these significant capital commitments, Alliance did not declare a dividend for the 2024 financial year. The Board believes it is prudent to retain capital within the business to support these transactions.

Nevertheless, we will continue to assess the Company's capital position and balance the interests of shareholders with the Company's debt profile.

Closing Remarks

The 2024 financial year has been the most successful in Alliance's history. Alliance flew over 100,000 flight hours, supported by a team of over 1,400 staff. EBITDA, profit, and cash flow all reached record levels. With additional aircraft scheduled to join the fleet through to June 2026, we anticipate further growth in both operational and financial metrics.

Before I hand over to our Managing Director, Mr. Scott McMillan, to discuss the Company's strategy and performance in greater detail, I want to once again acknowledge the tremendous efforts of every Alliance employee. The record results are a testament to your hard work and commitment.

To the Management Team, thank you for ensuring the safe, reliable, and on-time operations that define our business. To my fellow Directors, both retiring and up for election today, I deeply appreciate your contribution to the company.

I would also like to take this opportunity to comment on the two major projects that have been completed over the last 12 months. Those being the construction of the large base maintenance facilities at Rockhampton and secondly by securing the Airbus hangar complex on Brisbane Airport and adjacent to our existing facilities. Stewart Tully our CEO will speak about this in detail.

This will be the last AGM I will be attending as Chair, as I intend to retire from the Board during 2025.

Since 2002, when we first launched Alliance with two leased Fokker 100s and 72 part time employees, it has been a privilege to serve as your chairman. I am proud to have had the opportunity to work alongside Scott McMillan and entire Alliance team as the Company grew and flourished.

Thank you all for allowing me to be part of what is now a very large and successful business, and for your ongoing support.

Steve Padgett, OAM
Chairman