

Strategy and Business Planning

DOCUMENT	GOV-01
REVISION	1.4
EFFECTIVE	2 September 2026
OWNER	Chief Executive Officer
CLASSIFICATION	Controlled document. Uncontrolled when printed.

Amendment Record

Issue	Date	Summary of amendment
1.4	2 September 2026	Initial issue.

Contents

1	Growth Strategy	3
2	Home Markets	3
3	Network Roles	3
4	Network Structure	3
5	Fleet Approach	4
6	Competitive Position	4
7	Long-Term Outlook	4

1 Growth Strategy

The Airline pursues disciplined organic growth. The published network opens as one operating whole rather than in staged tiers, because a connecting bank at a single base has no value until the services that feed it and the services they feed are flying together. Growth after launch is pursued through frequency, fleet size and points added to a network already operating, and not through rapid, state-backed expansion.

2 Home Markets

The Airline serves Circassia and Abkhazia as its home markets, operating as the standing homeland carrier for both nations. Sochi is the Airline's base. Krasnodar and Nalchik are focus cities. Sukhum is a spoke today and becomes the Airline's second hub as the fleet expands.

3 Network Roles

Every airport in the network holds one of three roles. A role describes what an airport is to the Airline, and is independent of the route tier its services belong to.

1. **Base.** Aircraft and crew are stationed at the airport overnight, and the schedule is built around a connecting bank. Sochi is the Airline's base.
2. **Focus city.** The airport holds direct routes of its own without carrying based crew, spares, or maintenance. Aircraft reach it by tag routing on an existing rotation, or by remaining overnight on a rotating basis. Krasnodar and Nalchik are focus cities.
3. **Spoke.** The airport is worked out and back from the base with no overnight presence. Its schedule is built to meet the connecting bank at Sochi, and it is measured by the connecting traffic it delivers rather than by the result of its own sector. Sukhum, Mineralnye Vody, and Beslan are spokes. Sukhum holds one standing overnight aircraft. This does not make it a base and does not change how it is measured. The aircraft carries no spares, no maintenance capability and no based crew domicile, and it exists so that the first coastal movement of the day runs inbound to Sochi and so that the Airline holds one aircraft outside the air navigation region containing every other point it serves.

4 Network Structure

The network is built in three tiers:

1. **Domestic and Regional Feeder Tier.** Connects smaller airports across Circassia and Abkhazia, including Sochi, Krasnodar, Nalchik, Sukhum, Beslan, and Mineralnye Vody. Smaller aircraft operate at high frequency, feeding passengers into the trunk network.
2. **Russia Trunk Tier.** Connects Circassia and Abkhazia to Moscow, St. Petersburg, and other major Russian cities, serving primarily business travelers at moderate frequency.
3. **Turkey and Middle East Tier.** Serves diaspora communities in Turkey and Jordan, home to the largest Circassian populations abroad. Frequency increases as travel demand grows. Long-haul diaspora routes to Germany and the United States form part of the Airline's long-term network plan, following the maturity of the regional network.

5 Fleet Approach

Smaller aircraft serve the domestic and regional feeder tier. Regional jets serve the Russia and Turkey/Middle East tiers.

Aircraft are assigned to routes against constituency, available block hours and the shape of the connecting bank. Where two aircraft types can both serve a point, the larger is assigned to the point with the larger home constituency behind it.

6 Competitive Position

The Airline is the first carrier to offer dedicated service to small airports across Circassia and Abkhazia. On Russia trunk routes, it competes with Aeroflot and regional Russian carriers. On Turkey, Middle East, and long-haul diaspora routes, it competes with Turkish Airlines and Aeroflot. Fares are positioned competitively at entry, while the Airline's service continues to reflect the values of Khabze and Apsuara.

7 Long-Term Outlook

As the network matures, the Airline will expand into long-haul diaspora routes and evaluate membership in a global airline alliance.