

Company Number 771515

Ishikari Aviation Leasing Limited

**Directors' Report and
Audited Financial Statements**

**For the financial period from 9 September 2024 (date of incorporation) to 31
March 2025**



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Ishikari Aviation Leasing Limited

Directors and Other Information

Directors	Iwona Halpin (Irish) (appointed 26 May 2025) Sarah Beattie (Irish) (appointed 21 July 2025) Rebecca Murphy (Irish) (appointed 9 September 2024, resigned 26 May 2025) Morgan Sheehy (Irish) (appointed 9 September 2024, resigned 21 July 2025)
Company Secretary and Corporate service provider	Walkers Corporate Services (Ireland) Limited 5th Floor, The Exchange George's Dock IFSC, Dublin 1 D01 W3P9 Ireland
Company Number	771515
Registered Office	5th Floor, The Exchange George's Dock IFSC, Dublin 1 D01 W3P9 Ireland
Independent Auditor	EisnerAmper Audit Limited 6 The Courtyard Building Carmanhall Road, Sandyford Dublin 18 Ireland
Account Bank, Facility Agent and Security Trustee	HSBC Continental Europe 38 Avenue Kleber Paris 75116 France

Directors' Report

The Board of Directors ("Directors") present their report together with the audited financial statements for the financial period from 9 September 2024 (date of incorporation) to 31 March 2025 for Ishikari Aviation Leasing Limited (the "Company").

Directors and secretary and their interests

The names of the persons who were Directors at any time during the financial period ended 31 March 2025 and subsequently are set out below:

Iwona Halpin (Irish) (appointed 26 May 2025)
Sarah Beattie (Irish) (appointed 21 July 2025)
Rebecca Murphy (Irish) (appointed 9 September 2024, resigned 26 May 2025)
Morgan Sheehy (Irish) (appointed 9 September 2024, resigned 21 July 2025)

Walkers Corporate Services (Ireland) Limited was appointed secretary of the Company on 9 September 2024. The Directors and their immediate relatives and the Company Secretary did not hold an interest in any shares, debentures or loan stock of the Company as at 31 March 2025 or at any time during or since the financial period end.

Principal activities

The Company was incorporated and registered in Ireland on 9 September 2024 with registration number 771515.

The principal activity of the Company is the financing of aircraft. On 1 November 2024, the Company entered into a lease agreement wherein the Company purchased one aircraft (or "aircraft") through a purchase agreement assignment and subsequently leased the aircraft by way of aircraft lease agreement to a third-party lessee (the "Lessee"). The Lessee sub-leased the aircraft to a third-party sub lessee (the "Sub-Lessee"). The transaction is not considered a sale transaction and therefore accounted by the Company as a financing arrangement.

The lease is due to mature on 11 May 2035. The Company funded the financing of the aircraft via a loan facility of \$39,099,045 with The Hongkong and Shanghai Banking Corporation Limited.

Key performance indicators

The Company had interest income of \$806,964 and interest expense of \$806,964 for the financial period. The Company had loans receivable of \$35,185,725 and loans and borrowings of \$35,185,725 as at 31 March 2025.

Business review

The results for the financial period and the financial position of the Company as at the financial period end are set out in pages 11 and 12, respectively.

Subsequent events

On 15 April 2025 the Company entered into a lease agreement wherein the Company purchased one aircraft (or "aircraft") through a purchase agreement assignment and subsequently leased the aircraft by way of aircraft lease agreement to a third-party lessee (the "Lessee"). The Lessee sub-leased the aircraft to a third-party sub lessee (the "Sub-Lessee").

On 26 May 2025, Iwona Halpin was appointed a director of the Company and Rebecca Murphy resigned as a director of the Company.

On 21 July 2025, Sarah Beattie was appointed a director of the Company and Morgan Sheehy resigned as a director of the Company.

There have been no other significant events since the statement of financial position date which require disclosure in these financial statements.

Directors' Report (continued)

Future developments

The Directors expect the present level of activity to be sustained for a period of at least 12 months. The Directors continue to seek new opportunities for future growth and development of the Company.

Dividends for the financial period

The Directors recommend that no dividend is paid for the financial period ended 31 March 2025.

Going concern

The Directors are satisfied with the performance of the Company and believe that the Company will continue to operate in the future on the same basis.

The Company is cash neutral and pursuant to the terms of the all-parties agreement, the repayment of the loans is limited to monies received or recovered from the collateral (being the loan receivable and underlying aircraft).

The Directors are confident that the future cash flows from the loans receivable will be sufficient to discharge the loan liabilities of the Company and will monitor the performance of the loans on an annual basis to ensure that this assumption holds. The Lessee are up to date with their loan payments to the Company to the date of signing the financial statements.

Based on the above and all information available at present, the Directors believe that the Company will continue in operational existence for a period of at least 12 months and will have adequate funds available to meet their obligations as they fall due. Therefore, the Directors have concluded that it continues to be appropriate to prepare the financial statements of the Company on a going Concern basis and there are no material uncertainties that may cast doubt over the Company's ability to continue as a going concern.

Accounting records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regards to the keeping of accounting records by employing accounting personnel with appropriate experience and by providing adequate resources to the financial function. The Company's accounting records are maintained at 5th Floor, The Exchange, George's Dock, IFSC, Dublin 1, D01 W3P9, Ireland.

Risk and uncertainties

The Company is subject to various risks. The key risks facing the Company and the manner in which these risks have been dealt with are disclosed in Note 16 to the financial statements.

Transactions involving Directors

There were no contracts in the financial period of any significance in relation to the business of the Company in which the Directors had any interest, as defined in the Companies Act 2014.

Political donations

The electoral Act, 1997 (as amended by the Electoral Amendment Policy Funding Act, 2012) requires companies to disclose all political donations over EUR200 in aggregate made during a financial period. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial period ended 31 March 2025.

Directors compliance statement

The Company's turnover does not exceed the thresholds set out in section 225 of the Companies Act 2014 for the financial period ended 31 March 2025. Therefore, the provisions of section 225 of the Companies Act 2014 do not apply to the Company and the Directors are not required to include a Compliance Statement in their statutory Directors' report for the financial period ended 31 March 2025.

Directors' Report (continued)

Audit committee

As at the date of these financial statements, the Company is operating within the threshold limits as set out under Section 167(1) of the Companies Act 2014 (the "Act") and, as such, the Company did not establish an audit committee for the current financial period ended 31 March 2025.

Statement on relevant audit information

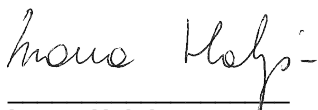
In accordance with Section 330 of the Companies Act 2014:

- So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware; and
- Each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent auditor

EisnerAmper Audit Limited were appointed auditors during the financial period and have expressed their willingness to act as statutory auditor for the Company in accordance with Section 383(2) of the Companies Act 2014.

This report was approved by the Board of Directors and signed on its behalf by;



Iwona Halpin
Director
20 January 2026



Sarah Beattie
Director
20 January 2026

Statement of Directors' Responsibility

The Directors are responsible for preparing the Directors' report and financial statements in accordance with applicable law and regulation.

Irish Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the Company's financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ("EU"). Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial period end and of the comprehensive income of the Company for the financial period and otherwise comply with the Companies Act 2014.

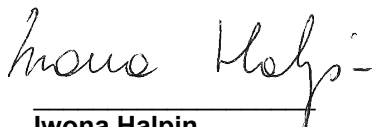
In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify these standards, and note the effect and the reasons for any material departure from those standards; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and comprehensive income of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for taking such steps as are open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

Signed on behalf of the Board of Directors



Iwona Halpin
Director
20 January 2026



Sarah Beattie
Director
20 January 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ISHIKARI AVIATION LEASING LIMITED**Report on the audit of the financial statements****Opinion**

We have audited the financial statements of Ishikari Aviation Leasing Limited (the 'Company') for the period from 9 September 2024 to 31 March 2025 which comprise the Statement Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies set out in Note 3. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025 and of its profit for the period then ended; and
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA"), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ISHIKARI AVIATION LEASING LIMITED (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of the sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions, are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 7 of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ISHIKARI AVIATION LEASING LIMITED (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Carroll
For and on behalf of EisnerAmper Audit Limited
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 21 January 2026

Ishikari Aviation Leasing Limited

Statement of Comprehensive Income

For the financial period from 9 September 2024 (date of incorporation) to 31 March 2025

	Note	Financial period ended 31-Mar-25 USD
Interest income	4	806,964
Interest expense	5	(806,964)
Other income	6	52,352
Operating expenses	7	<u>(51,352)</u>
Profit on ordinary activities before taxation		1,000
Taxation	8	<u>(250)</u>
Profit on ordinary activities after taxation		750
Other comprehensive income		-
Total comprehensive profit for the financial period		<u>750</u>

All items dealt with in arriving at the profit for the financial period ended 31 March 2025 related to continuing operations. The Company had no recognised gains or losses in the financial period other than those dealt with in the statement of comprehensive income.

The notes to the financial statements on pages 15 to 25 form an integral part of the financial statements.

Ishikari Aviation Leasing Limited**Statement of Financial Position****As at 31 March 2025**

	Note	As at 31-Mar-25 USD
Assets		
Non-current assets		
Loans receivable	10	35,185,725
Current assets		
Other receivables	11	52,353
Total assets		35,238,078
Liabilities		
Non-current liabilities		
Loans and borrowings	12	35,185,725
Current liabilities		
Other payables	13	51,602
Total liabilities		35,237,327
Equity		
Called up share capital	14	1
Retained earnings		750
Total equity		751
Total equity and liabilities		35,238,078

The notes to the financial statements on pages 15 to 25 form an integral part of the financial statements.

Signed on behalf of the Board of Directors by:



Iwona Halpin
Director
20 January 2026



Sarah Beattie
Director
20 January 2026

Ishikari Aviation Leasing Limited

Statement of Changes in Equity

For the financial period from 9 September 2024 (date of incorporation) to 31 March 2025

	Called up Share Capital 31-Mar-25 USD	Retained Earnings 31-Mar-25 USD	Total equity 31-Mar-25 USD
At beginning of the financial period	-	-	-
Called up share capital	1	-	1
Total comprehensive income for the financial period	-	750	750
At end of the financial period	1	750	751

The notes to the financial statements on pages 15 to 25 form an integral part of the financial statements.

Ishikari Aviation Leasing Limited

Statement of Cash Flows

For the financial period from 9 September 2024 (date of incorporation) to 31 March 2025

	Note	Financial period ended 31-Mar-25 USD
Profit on ordinary activities after taxation		750
Interest income	4	(806,964)
Interest expense	5	806,964
Increase in other receivables		(52,352)
Increase in payables		51,602
Net cash flow from operating activities		<u>-</u>
Net movement in cash and cash equivalents		-
Cash and cash equivalent at the start of the financial period		-
Cash and cash equivalent at end of the financial period		<u>-</u>

Non-cash transactions

The Company does not own a bank account and subsequently is not used in regard to cash flows relating to financing and investing activities. In this regard the Directors have revised the presentation of the Statement of cash flows to reflect the fact that the Company has no cash inflows or outflows from investing activities or financing activities. This had no further effect on the financial statements of the Company.

Supplementary disclosure of cashflow information:

	Financial period ended 31-Mar-25 USD
Non-cash receipt of loans and borrowings	36,717,227
Non-cash payment of loans and borrowings	(1,823,384)
Non-cash interest expense paid	(515,082)
Non-cash loans advanced	(36,717,227)
Non-cash receipt of loans receivable	1,823,384
Non-cash interest income received	515,082

The notes to the financial statements on pages 15 to 25 form an integral part of the financial statements.

Notes to the Financial Statements

1. General information

The Company was incorporated and registered in Ireland on 9 September 2024 with registration number 771515.

The principal activity of the Company is the financing of aircraft. On 1 November 2024, the Company entered into a lease agreement wherein the Company purchased one aircraft (or "aircraft") through a purchase agreement assignment and subsequently leased the aircraft by way of aircraft lease agreement to a third-party lessee (the "Lessee"). The Lessee sub-leased the aircraft to a third-party sub lessee (the "Sub-Lessee"). The transaction is not considered a sale transaction and therefore accounted by the Company as a financing arrangement.

The lease is due to mature on 11 May 2035. The Company funded the financing of the aircraft via a loan facility of \$39,099,045 with The Hongkong and Shanghai Banking Corporation Limited.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and also in accordance with the relevant requirements of the Companies Act, 2014. The financial statements are prepared on a going concern basis.

Going concern

The Directors are satisfied with the performance of the Company and believe that the Company will continue to operate in the future on the same basis.

The Company is cash neutral and pursuant to the terms of the all parties agreement, the repayment of the loans is limited to monies received or recovered from the collateral (being the loan receivable and underlying simulators). The Directors are confident that the future cash flows from the loans receivable will be sufficient to discharge the loan liabilities of the Company and will monitor the performance of the loans on an annual basis to ensure that this assumption holds. The Lessee are up to date with their loan payments to the Company to the date of signing the financial statements.

Based on the above and all information available at present, the Directors believe that the Company will continue in operational existence for a period of at least 12 months and will have adequate funds available to meet their obligations as they fall due. Therefore, the Directors have concluded that it continues to be appropriate to prepare the financial statements of the Company on a Going Concern basis and there are no material uncertainties that may cast doubt over the Company's ability to continue as a going concern.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in US Dollar ("USD" or "\$") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The Directors of the Company believe that the USD most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

Notes to the Financial Statements (continued)**2. Basis of preparation (continued)****(d) Use of estimates and judgements (continued)**

In particular, information about the significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 16 – Financial Risk Management. The Directors have applied judgement in their assessment of the ECL for financial period ended 31 March 2025. Refer to Note 3 (g) for further detail.

(e) New standards, amendment or interpretations

Standard and amendments to existing standards effective 9 September 2024:

There are no standards, interpretation or amendments to existing standards that are effective for the first time for the financial period that would be expected to have a material impact on the Company. The following amended and new standards, approved by the IASB, were not effective as at 9 September 2024 and therefore have not been applied in preparing these financial statements.

Description	EU Effective Date
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	01-Jan-25
Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)	01-Jan-25
Annual improvements to IFRS accounting standards – amendments to:	
IFRS 1 First-time adoption of International Financial Reporting Standards	01-Jan-25
IFRS 7 Financial Instruments: Disclosures and its accompanying guidance on implementing IFRS 7	01-Jan-25
IFRS 9 Financial Instruments	01-Jan-25
IFRS 10 Consolidated Financial Statements	01-Jan-25
IAS 7 Statement of Cash Flows	01-Jan-25
IFRS 18 Presentation and Disclosure in Financial Statements	01-Jan-25
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01-Jan-25

Where new requirements are endorsed, the EU effective date is disclosed. For un-endorsed standards and interpretations, the IASB's effective date is noted. Where any of the upcoming requirements are applicable to the Company, it will apply them from their EU effective date. The Directors have considered the new standards, amendments and interpretations as detailed in the above table and do not plan early adoption of these standards. The Directors have reviewed those standards and interpretations that are issued but not yet effective up to the date of issuance of the Company's financial statements and assessed that none of those new standards and interpretations will have a material impact to the Company's financial statements.

3. Significant accounting policies**(a) Interest income/expense**

Interest income/expense arising in respect of loans receivable/payable is recognised on an effective interest rate basis.

The effective interest rate method is used to allocate interest income/expense over the expected life of the liability and results in a constant periodic rate of interest on the carrying amount.

Interest income/expense comprises:

- interest calculated using the EIR applied to the amortised costs of the asset/liability
- the unwinding of any discounts or premiums; and
- the amortisation of any directly attributable transaction costs

Notes to the Financial Statements (continued)

3. Significant accounting policies (continued)

(a) Interest income/expense (continued)

For assets/liabilities with variable interest rates, the EIR is recalculated whenever the interest rate resets, consistent with the contractual terms of the instrument. Changes in expected future cash flows arising from interest rate resets are accounted for by adjusting the EIR prospectively in accordance with IFRS 9.

No modification gain or loss is recognised as long as the changes arise from the contractual repricing mechanisms.

(b) Other receivables/payables

Other receivables are recognised initially at transaction price less attributable transaction costs. Other payables are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

(c) Operating income and expenses

All income and expenses are accounted for on an accrual basis.

(d) Taxation

Income tax expense comprises current tax and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates applicable to the Company's activities enacted or substantively enacted at the reporting date, and adjustments to tax payable in respect of previous financial periods.

Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different financial periods for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the financial periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not discounted.

(e) Foreign currency transactions

Foreign currency transactions during the financial year are translated into USD at the exchange rates ruling at the transaction dates. Monetary items denominated in foreign currencies are retranslated at rates prevailing at each reporting date. Exchange differences are recognised in the Statement of Comprehensive Income.

(f) Share capital

Share capital is denominated in USD and is classified as equity. Dividends are recognised as a liability in the financial year in which they are approved.

Notes to the Financial Statements (continued)

3. Significant accounting policies (continued)

(g) Financial instruments

Financial assets

Financial assets are represented by the loans receivable, interest receivables and other receivables. Financial assets are recognised in the statement of financial position when the Company becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value (which is equal to cost at inception) and are subsequently measured at amortised cost less and allowance for impairment. Interest calculated on the loans for the year is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire, are extinguished, or if the Company transfers the financial assets to a third party and transfers all the risks and rewards of ownership of the asset, or if the Company does not retain control and transfers substantially all the risk and rewards of ownership of the asset regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the asset.

A financial asset would be measured at amortised cost if: it is held within a business model whose objective is to hold the assets in order to collect contractual cash flows; and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. For the financial period ended 31 March 2025, the Company classifies financial assets at amortised cost using the effective interest rate (EIR) method under IFRS 9.

Financial liabilities

Financial liabilities are represented by the loans and borrowings, interest payables and other payables. Financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially measured at fair value (which is equal to cost at inception) and are subsequently measured at amortised cost.

Financial liabilities (continued)

Interest accrued on the Company's financial liabilities is charged to the Statement of Comprehensive Income. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including (but not limited to):

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets; and
- the frequency, volume and timing of sales of financial assets in prior years, the reasons for such sales and expectations about future sales activity.

Assessment whether contractual cash flows are solely principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Notes to the Financial Statements (continued)

3. Significant accounting policies (continued)

(g) Financial instruments (continued)

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Contractual cash flows of the underlying financial assets are considered after evaluation of the business model. For financial assets held in a portfolio that is managed on fair value or held for trading purposes, consideration of contractual cash flows are irrelevant.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model. For the financial period ended 31 March 2025, the Company has determined the following for financials assets and liabilities reported:

Financial assets:

- Loans receivable – will be carried at the amortised cost
- Interest receivables – will be carried at the amortised cost
- Other receivables – will be carried at the amortised cost

Financial Liabilities:

- Loans and borrowings - will be carried at amortised cost
- Interest payables – will be carried at amortised cost
- Other payables – will be carried at amortised cost

Impairment and presentation of allowance for ECLs in the statement of financial position

In line with the requirements of IFRS 9, the Company recognises loss allowances for estimated credit loss (ECL) on financial assets measured at amortised cost. When assessing the need to recognize an allowance for ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances, if any, are deducted from the gross carrying amount of the assets. Given the short-term maturities and low credit risk of loans receivable the Company has measured the loss allowance for the financial year on a 12-month expected loss basis. For the financial period ended 31 March 2025, there are no ECLs recorded as the amounts were considered not material.

Write-off

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. When the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion there, the gross carrying amount of a financial asset is written off. For the financial period ended 31 March 2025 there are no-write offs recorded.

(h) Loans receivable

Loans receivable are recognised initially at fair value and are subsequently measured at amortised cost less any provision for impairment. The loans receivable arose from the leasing agreement with the Lessee which was accounted as a financing agreement under IFRS 9. This is on the basis that the transaction did not satisfy the requirement of the performance obligation under IFRS 15 as it was concluded that the control over and risks and rewards of the aircraft remained with the Lessee.

Notes to the Financial Statements (continued)**4. Interest income**

	Financial period ended 31-Mar-25 USD
Interest income	806,964
	806,964

Interest income is derived from the loans receivable arising from the leasing transaction with the Lessee and is calculated using the EIR method.

5. Interest expense

	Financial period ended 31-Mar-25 USD
Interest expense	(806,964)
	(806,964)

6. Other income

	Financial period ended 31-Mar-25 USD
Other income	52,352
	52,352

Other income comprises of the reimbursement of operating expenses incurred by the Company which shall be borne by the Lessee in accordance with the Aircraft Lease Agreement.

7. Operating expenses

	Financial period ended 31-Mar-25 USD
Administration fees	(29,895)
Audit fees	(15,630)
Tax compliance fees	(4,656)
Legal fees	(1,171)
	(51,352)

The Company is administered by Walkers Corporate Services (Ireland) Limited and has no employees. The terms of the corporate services agreement in place between the Company and the corporate service provider provide for a single fee for the provision of corporate administration services.

As a result, the allocation of fees between the different services provided is a subjective and approximate calculation. The individual, who is an employee of the service provider and is acting as a Director, does not and will not, in their personal capacity or any other capacity, receive any fee for acting or having acted as a Director of the Company. For the avoidance of doubt, notwithstanding that the Director of the Company is an employee of the corporate service provider; they did not receive any remuneration for acting as a Director of the Company. Pursuant to Section 305A (1)(a) of the Companies Act 2014 (as amended), the third-party corporate service provider received \$1,628 as consideration for the making available of individuals to act as Directors of the Company.

Notes to the Financial Statements (continued)

8. Taxation

	Financial period ended 31-Mar-25 USD
Taxation on operating profit	(250)
	<u>(250)</u>
Profit on ordinary activities before tax	<u>1,000</u>
Corporation tax at the standard of 12.5% rate for the financial period Higher rate tax applicable under Section 110 TCA, 1997 of 12.5%	(125)
	<u>(125)</u>
Current tax charge for the financial period	<u>(250)</u>

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date where transaction or events have occurred at that date will result in an obligation to pay more or right to pay less tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the reporting date. The Directors are not aware of any factor that may affect the future tax charge.

9. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation has been arrived after charging the following:

	Financial period ended 31-Mar-25 USD
Directors' remuneration	-
	<u>-</u>
Auditor's remuneration (exclusive of VAT)	
Statutory audit	12,708
Tax advisory services	3,785
	<u>16,493</u>

10. Loans receivable

	As at 31-Mar-25 USD
Opening balance	-
Issuance of loan receivable during the financial period	36,717,227
Repayments made during the financial period	(2,338,466)
Interest income	806,964
Closing balance	<u>35,185,725</u>

Notes to the Financial Statements (continued)**10. Loans receivable (continued)**

	As at 31-Mar-25 USD
Due within one financial year	4,547,781
Due after more than one financial year	30,637,944
Total	<u>35,185,725</u>

During the financial period, the Company entered into a leasing agreement with the Lessee for one aircraft. Under the Lease Agreement, the Lessee has a purchase option at the end of the lease, subject to all conditions of the finance lease agreement being met.

Interest is charged using the EIR method. Payments relate to those stipulated in the lease and all parties agreement being the A rent of an amount equal to the aggregate of all principal and interest payable by the Company in relation to its HSBC loan liability.

11. Other receivables

	As at 31-Mar-25 USD
Other income receivable	52,352
Share capital receivable	1
	<u>52,353</u>

12. Loans and borrowings

	As at 31-Mar-25 USD
Opening balance	-
Proceeds from loans and borrowings	39,099,045
Capitalised transaction costs	(2,381,818)
Repayments made during the financial period	(2,338,466)
Interest expense	806,964
Closing balance	<u>35,185,725</u>

	As at 31-Mar-25 USD
Due within one financial year	4,547,781
Due after more than one financial year	30,637,944
Total	<u>35,185,725</u>

During the financial period, the Company entered into a loan facility amounting to \$39,099,045 with The Hongkong and Shanghai Banking Corporation Limited ("HSBC"). The loan is to be repaid by 7 December 2035. The proceeds of the loan was used to facilitate the financing of an aircraft. Interest is charged on the facility at 0.50% + SOFR.

Notes to the Financial Statements (continued)

13. Other payables

	As at 31-Mar-25 USD
Audit fees payable	15,630
Tax advisory fees payable	4,656
Corporate service fees payable	29,895
Corporation tax payable	250
Legal fees payable	1,171
	<u>51,602</u>

14. Share capital

	Beginning of the financial period USD	During the financial period USD	As at 31-Mar-25 USD
Authorised called up share-capital			
1,000 ordinary shares of \$1 each	-	1,000	1,000
Issued share capital not yet paid			
1 ordinary share of \$1 each	-	1	1

15. Ownership of the Company

The only shareholder of the Company is Walkers AV8 Shareholding Services Limited, who holds the share under a Declaration of Trust for charitable purposes.

16. Financial risk management

Capital risk management

The Company manages its capital to ensure that it is able to continue as a going concern. The Company is not subject to externally imposed capital requirements.

The principal risks arising from the Company's financial instruments are credit, market, liquidity and operational risk. The Company have established policies for managing these risks as outlined below.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans receivable.

The Company's ability to succeed is partially dependent on the financial strength of the Lessee and its ability to operate effectively in the marketplace and manage the competitive environment in which they operate. The Company mitigates this risk by monitoring the performance of the counterparty on a regular basis and putting in place appropriate settlement conditions in the event of default or early termination of a lease by the Lessee, as detailed in the Lease Agreements.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	As at 31-Dec-23 USD
Loans receivable	35,185,725
Other receivables	52,353
	<u>35,238,078</u>

Notes to the Financial Statements (continued)

16. Financial risk management (continued)

(b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company manages its exposure to currency risk by effectively matching its foreign currency assets and liabilities i.e. the USD borrowings and USD senior loan. As at 31 March 2025, the Company's exposure to currency risk is not significant.

Interest rate risk

The Company's loans and borrowings are interest bearing and long term. The loans and borrowings have a fixed margin of 0.50% + SOFR. The interest rate risk on the loans and borrowings is matched by the interest income receivable under the terms of the Aircraft Lease Agreement with the Lessee. Therefore, the Company is not exposed to any interest rate risks as at 31 March 2025.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach in managing liquidity is to ensure that loan principal and interest income is sufficient to cover payments required under the loans and borrowings.

The Company plans to meet its financial obligations through operational cash flows. The following are the contractual maturities of financial liabilities for the Company;

31-Mar-25	Carrying Amount USD	Gross contractual cashflows USD	Up to 1 year USD	2 - 4 years USD	Over 5 years USD
<i>Financial liabilities</i>					
Other payables	51,602	51,602	51,602	-	-
Loans and borrowings	35,185,725	46,455,076	4,547,781	13,622,413	28,284,882
	35,237,327	46,506,678	4,599,383	13,622,413	28,284,882

(d) Operational risk

The Company was incorporated with the purpose of engaging in those activities outlined in the Directors' Report. All administration functions are outsourced to Walkers Corporate Services (Ireland) Limited.

The Company is highly dependent upon the continuing financial strength of the commercial airline industry. A significant deterioration in this sector could adversely affect the Company through a reduced demand for aircraft and / or reduced market rates, higher incidences of lessee default and an increase in aircraft on the ground. The Company periodically performs reviews of the borrower and its ability to make payments under the terms of the loan agreement.

17. Related party transactions

Walkers Corporate Services (Ireland) Limited is a related party of the Company on the basis that it provides Directorship services as part of a wider corporate services agreement.

The Directors of the Company, Iwona Halpin and Sarah Beattie are employees of Walkers Corporate Services (Ireland) Limited.

Walkers Corporate Services (Ireland) Limited receives a single fee for the provision of corporate administration services, including the making available of individuals to act as Directors of the Company. As a result, the allocation of fees between the different services provided is a subjective and approximate calculation. Fees for services provided by Walkers Corporate Services (Ireland) Limited for the financial period ended 31 March 2025 were USD 13,474 of which all remains payable at financial period end.

Notes to the Financial Statements (continued)

17. Related party transactions (continued)

Pursuant to Section 305A (1)(a) of the Companies Act 2014 (as amended), the third-party corporate service provider received USD 1,628 as consideration for the making available of individuals to act as Directors of the Company. For the avoidance of doubt, notwithstanding that the Directors of the Company are employees of the corporate service provider, they did not and will not receive any remuneration for acting as Directors of the Company.

There were no other related party transactions entered into during the financial period.

18. Ultimate controlling party

The Company is 100% owned by Walkers AV8 Shareholding Services Limited under a declaration of trust for charitable purposes.

The board of directors have considered the issue as to who is the controlling party of the Company. They have determined that the control of the day to day activities of the Company rests with the board.

19. Subsequent events

On 15 April 2025 the Company entered into a lease agreement wherein the Company purchased one aircraft (or "aircraft") through a purchase agreement assignment and subsequently leased the aircraft by way of aircraft lease agreement to a third-party lessee (the "Lessee"). The Lessee sub-leased the aircraft to a third-party sub lessee (the "Sub-Lessee").

On 21 July 2025, Rebecca Murphy resigned as a director of the Company and Iwona Halpin was appointed as a director of the Company.

On 21 July 2025, Morgan Sheehy resigned as a director of the Company and Sarah Beattie was appointed as a director of the Company.

There have been no other significant events since the statement of financial position date which require disclosure in these financial statements.

20. Charges, Commitments and Contingent Liabilities

The Company has granted charges over their assets to Wilmington Trust.

The Directors were not aware of any other commitments or contingent liabilities. The Directors of the Company have no long-term contracts other than those with their service providers.

21. Approval of the financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 20 January 2026.