
AFG AVIATION IRELAND LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

AFG AVIATION IRELAND LIMITED

COMPANY INFORMATION

Directors	Declan Meagher Christian Nuehlen
Company secretary	Christian Nuehlen
Registered number	607551
Registered office	14 Fitzwilliam Square Dublin 2
Independent auditor	S&W Partners Audit (Ireland) Limited Chartered Accountants and Statutory Audit Firm Paramount Court Corrig Road Sandyford Business Park Dublin 18
Bankers	UniCredit Bank GmbH Betreuung Firmenkunden Kardinal-Faulhaber-Str. 14 Munche Germany
	Allied Irish Bank 10 Molesworth Street Dublin 2 Ireland
Date of incorporation	7 July 2017

AFG AVIATION IRELAND LIMITED

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AFG AVIATION IRELAND LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The directors present their annual report and the audited financial statements for the year ended 31 December 2024.

Principal activities

The principal activity of the company is the sale, acquisition and trading of commercial aircraft on a worldwide basis.

Business Review and Future Developments

During the year, the company generated revenue of \$58.5 million, primarily from aircraft sales. The company recorded a loss after tax of \$1.98 million, compared to a loss of \$3.42 million in the prior year, reflecting increased trading margins and reduced operating costs.

Despite the loss, the company maintains a strong liquidity position, with cash reserves of \$25.6 million and net assets of \$24.6 million at year-end, which the directors consider sufficient to support ongoing operations.

The company structures sophisticated aircraft transactions in virtually all aircraft markets in the world and as a strong and reliable member of the global aviation industry, AFG continues to source and sell a wide range of commercial aircraft.

Results and dividends

The loss for the year, after taxation, amounted to \$1,985,641 (2023 - loss \$3,421,825).

A dividend of \$215,180 was paid by the Company during the financial year (2023:\$ Nil)

Directors and their interests

In accordance with Section 329 of the Companies Act 2014, the shareholdings of the directors and company secretary and the movements therein during the year ended 31 December 2024 were as follows:

	Ordinary shares at €1.00 each	
	31 Dec '24	1 Jan '24
Directors		
Christian Nuehlen	-	-
Declan Meagher	-	-
Secretary		
Christian Nuehlen	-	-

The company is a 100% subsidiary of Aircraft Finance Germany GMBH, a company incorporated in Germany. In accordance with Section 329 of the Companies Act 2014, the shareholdings of the directors and company secretary and the movements therein during the year ended 31 December 2024 were as follows:

AFG AVIATION IRELAND LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Ordinary shares at €1.00 each	
	31 Dec '24	1 Jan '24
Directors		
Christian Nuehlen	100,000	100,000
Declan Meagher	-	-
Secretary		
Christian Nuehlen	100,000	100,000

There were no changes in shareholdings between 31 December 2024 and the date of signing the financial statements and all shares were beneficially held.

Political contributions

The company made no political donations during the year, as defined by the Electoral Act 1997.

Principal risks and uncertainties

The directors are responsible for identifying and managing the key risks and uncertainties that may impact the company's operations, financial performance, and strategic objectives. The aviation industry is inherently exposed to a range of financial and operational risks, and the company has established policies and procedures to monitor, mitigate, and respond to these risks effectively. The principal risks and uncertainties facing the company include credit risk, liquidity risk, market risk, and capital management, as outlined below.

Credit Risk

The company is exposed to credit risk arising from amounts owed by group undertakings. Credit risk is managed through regular monitoring of outstanding balances and assessment of counterparty creditworthiness. Provisions are made where recoverability is considered doubtful. At year end, no provisions were recognised against group receivables.

Liquidity Risk

Liquidity risk arises from the company's ability to meet its short-term obligations. The directors monitor cash flow forecasts and maintain adequate cash reserves. As at 31 December 2024, the company held cash balances of \$25.6 million, which are considered sufficient to meet current liabilities of \$10.07 million.

Market Risk

The company operates in the global aviation market and is exposed to fluctuations in aircraft values, foreign exchange rates, and demand cycles. Market risk is mitigated through diversification of aircraft types, geographic markets, and maintaining flexibility in trading strategies. The company prepares sensitivity analyses to assess the impact of adverse market movements.

Capital Management

The company's capital structure consists of equity and intercompany borrowings. The directors aim to maintain a capital base that supports the company's strategic objectives while ensuring financial stability. As at year-end, net assets stood at \$24.6 million. The company does not have external debt and relies on group funding, which is monitored to ensure sustainability.

AFG AVIATION IRELAND LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at 14 Fitzwilliam Square, Dublin 2.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Audit Committee

The directors have concluded that there was no need for the company to have a separate Audit Committee in order for the board to perform effective monitoring and oversight of the internal control and risk management systems of the company in relation to the financial reporting process.

Compliance Statement

The directors are responsible for securing compliance by the company with its relevant obligations (as defined in Section 225 of the Companies Act 2014 ("Section 225")). In accordance with Section 225, the directors thereby confirm they have completed the following:

- drafted and reviewed a Compliance Policy Statement setting out the company's policies (that, in the directors' opinion, are appropriate to the company) respecting compliance by the company with its relevant obligations;
- put in place appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the company's relevant obligations; and
- have conducted a review of the aforementioned arrangements or structures in place to secure material compliance with the company's relevant obligations.

AFG AVIATION IRELAND LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

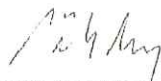
Subsequent events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, S&W Partners Audit (Ireland) Limited, continues in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.



Christian Nuehlen
Director

Date: 27-02-2026



Declan Meagher
Director

Date: 27-02-2026

AFG AVIATION IRELAND LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), issued by the Financial Reporting Council.

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 year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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 profit or loss 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board


Christian Nuehlen
Director


Declan Meagher
Director

AFG AVIATION IRELAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AFG AVIATION IRELAND LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AFG Aviation Ireland Limited ("the Company") for the year ended 31 December 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued in the United Kingdom by the Financial Reporting Council.

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 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with 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 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.

AFG AVIATION IRELAND LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AFG AVIATION IRELAND LIMITED
(CONTINUED)**

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and financial statements, 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.

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 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.

Opinion on other matters prescribed by the Companies Act 2014

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

- the information given in the Directors' Report for the financial year 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.
- 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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any 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 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.

AFG AVIATION IRELAND LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AFG AVIATION IRELAND LIMITED
(CONTINUED)**

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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 management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 (Ireland) 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://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/> This description forms part of our Auditor's Report.

AFG AVIATION IRELAND LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AFG AVIATION IRELAND LIMITED
(CONTINUED)**

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

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.



John O'Callaghan

for and on behalf of
S&W Partners Audit (Ireland) Limited

Chartered Accountants and Statutory Audit Firm

Paramount Court
Corrig Road
Sandyford Business Park
Dublin 18

Date: 27/02/2026

AFG AVIATION IRELAND LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 \$	2023 \$
Turnover	4	58,577,081	68,066,606
Cost of sales		(49,809,543)	(57,835,533)
Gross profit		<u>8,767,538</u>	<u>10,231,073</u>
Administrative expenses		(10,808,384)	(13,276,684)
Operating loss	5	(2,040,846)	(3,045,611)
Other income	8	65,213	26,410
Interest expense and similar charges	9	(387,137)	(439,208)
Loss before taxation		<u>(2,362,770)</u>	<u>(3,458,409)</u>
Tax credit	10	377,129	36,584
Loss for the financial year		<u><u>(1,985,641)</u></u>	<u><u>(3,421,825)</u></u>

There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2024 (2023 :\$ Nil).

The notes on pages 14 to 27 form part of these financial statements.

AFG AVIATION IRELAND LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Note	2024 \$	2023 \$
Fixed assets			
Deferred taxation	11	377,129	-
Investment	12	1	30,709
		377,130	30,709
Current assets			
Debtors	13	23,041,996	17,515,310
Cash and cash equivalents	14	25,609,021	26,868,238
		48,651,017	44,383,548
Creditors: amounts falling due within one year	15	(10,073,801)	(2,217,476)
Net current assets		38,577,216	42,166,072
Total assets less current liabilities		38,954,346	42,196,781
Creditors: amounts falling due after more than one year	16	(14,336,421)	(15,378,035)
Net assets		24,617,925	26,818,746
Capital and reserves			
Called up share capital presented as equity	18	1	1
Retained earnings	19	24,617,924	26,818,745
Shareholders' funds		24,617,925	26,818,746

The financial statements were approved and authorised for issue by the board:


Christian Nuehlen
Director


Declan Meagher
Director

Date: 27-02-2026

The notes on pages 14 to 27 form part of these financial statements.

AFG AVIATION IRELAND LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Called up share capital	Retained earnings	Total equity
	\$	\$	\$
At 1 January 2024	1	26,818,745	26,818,746
Comprehensive loss for the year			
Loss for the year	-	(1,985,641)	(1,985,641)
Total comprehensive loss for the year	-	(1,985,641)	(1,985,641)
Contributions by and distributions to owners			
Dividend paid	-	(215,180)	(215,180)
At 31 December 2024	1	24,617,924	24,617,925

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital	Retained earnings	Total equity
	\$	\$	\$
At 1 January 2023	1	30,240,570	30,240,571
Comprehensive income for the year			
Loss for the year	-	(3,421,825)	(3,421,825)
Total comprehensive income for the year	-	(3,421,825)	(3,421,825)
At 31 December 2023	1	26,818,745	26,818,746

The notes on pages 14 to 27 form part of these financial statements.

AFG AVIATION IRELAND LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024 \$	2023 \$
Cash flows from operating activities		
Loss for the financial year	(1,985,641)	(3,421,825)
Adjustments for:		
Depreciation of tangible assets	-	8,289
Loss on disposal of tangible assets	-	137,322
Interest expense	387,137	439,208
Interest income	(65,213)	(209,861)
Taxation credit	(377,129)	(36,584)
Decrease in stocks	-	15,000,000
(Increase)/decrease in debtors	(4,707,093)	1,593,527
(Increase) in amounts owed by group companies	(421,827)	(4,364,240)
Increase/(decrease) in creditors	7,946,237	(6,923,387)
(Decrease)/increase in amounts owed to group companies	(1,041,614)	975,457
Corporation tax (paid)	(456,970)	(610,367)
Net cash generated from operating activities	<u>(722,113)</u>	<u>2,587,539</u>
Cash flows from investing activities		
Interest income	65,213	209,861
Net cash from investing activities	<u>65,213</u>	<u>209,861</u>
Cash flows from financing activities		
Dividends paid	(215,180)	-
Interest expense	(387,137)	(439,208)
Net cash used in financing activities	<u>(602,317)</u>	<u>(439,208)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(1,259,217)</u>	<u>2,358,192</u>
Cash and cash equivalents at beginning of year	26,868,238	24,510,046
Cash and cash equivalents at the end of year	<u>25,609,021</u>	<u>26,868,238</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	25,609,021	26,868,238
	<u>25,609,021</u>	<u>26,868,238</u>

The notes on pages 14 to 27 form part of these financial statements.

AFG AVIATION IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

AFG Aviation Ireland Limited is a private company, incorporated and domiciled in the Republic of Ireland. The company was incorporated on 07 July 2017. The company's registered office and its principal place of business is 14 Fitzwilliam Square, Dublin 2.

2. Accounting policies

The following significant accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following significant accounting policies have been applied:

2.2 Foreign currency translation

The financial statements are prepared in US \$ which is the functional and presentational currency of the company.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Transactions, during the year, which are denominated in foreign currencies are translated at the rates of exchange ruling at the date of the transaction. The resulting exchange differences are dealt with in the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of Aircraft and Spare Parts

Revenue from the sale of Aircraft and Spare Parts is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Provisions

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

AFG AVIATION IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand.

In the Statement of Cash Flow, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.12 Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Share capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a reduction in equity.

AFG AVIATION IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

3. Going concern

The company adopts the going concern basis in preparing the financial statements. The company forecasts adequate cash reserves to meet its day-to-day working capital requirements and the Directors have a reasonable expectation that the company can continue its operation for a period of at least twelve months from the approval of the financial statements. The company therefore continue to adopt the going concern basis in preparing the financial statements.

4. Turnover

	2024	2023
	\$	\$
Analysis of turnover by geography:		
Republic of Ireland	38,977,081	-
Rest of the world	19,600,000	68,066,606
	58,577,081	68,066,606
	58,577,081	68,066,606
	2024	2023
	\$	\$
Analysis by turnover by category:		
Sale of Aircraft	57,649,670	67,400,000
Other	927,411	666,606
	58,577,081	68,066,606
	58,577,081	68,066,606

5. The operating loss is stated after charging

	2024	2023
	\$	\$
Depreciation of tangible fixed assets	-	8,289
Impairment of investments	-	137,322
Exchange differences	61,033	47,141
	61,033	47,141
	61,033	47,141

AFG AVIATION IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2024 \$	2023 <i>Restated</i> \$
Wages and salaries	1,080,711	1,117,797
Health insurance cost	101,273	76,289
	<u>1,181,984</u>	<u>1,194,086</u>

Capitalised employee costs during the year amounted to \$NIL (2023: \$NIL).

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Employees	<u>5</u>	<u>3</u>

7. Directors' remuneration

Key management are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors of that entity. The directors are considered key management of the company. The compensation paid or payable to key management for their employees services is shown below:

	2024 \$	2023 \$
Directors' emoluments	601,063	848,712
	<u>601,063</u>	<u>848,712</u>

There were no payments to any third party for services as directors in the company (2023 :\$ NIL).

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NOTES TO THE FINANCIAL STATEMENTS
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8. Other Interest income

	2024	2023
	\$	\$
Interest due from group companies	51,567	26,410
Other interest income	13,646	-
	65,213	26,410
	65,213	26,410

9. Interest expense and similar charges

	2024	2023
	\$	\$
Interest due to group companies	387,137	439,208
	387,137	439,208
	387,137	439,208

10. Taxation

	2024	2023
	\$	\$
Corporation tax		
Adjustments in respect of previous periods	-	(36,584)
	-	(36,584)
	-	(36,584)
Total current tax	-	(36,584)
Deferred tax		
Trading loss carried forward	(377,129)	-
Total deferred tax	(377,129)	-
	(377,129)	-
Tax credit	(377,129)	(36,584)
	(377,129)	(36,584)
	(377,129)	(36,584)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2023 - *higher than*) the standard rate of corporation tax in Ireland of 12.5% (2023 - 12.5%). The differences are explained below:

	2024 \$	2023 \$
Loss on ordinary activities before tax	(2,362,770)	(3,458,409)
Loss on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2023 - 12.5%)	(295,346)	(203,992)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	15,080	112,342
Capital allowances for year in excess of depreciation	(1,031)	5
Interest on CT late payment	8,055	-
Other timing differences leading to an increase (decrease) in taxation	(8,152)	(2,648)
Unrelieved tax losses carried forward	(95,735)	94,293
Adjustment in relation to prior year	-	(36,584)
Total tax credit for the year	(377,129)	(36,584)

11. Deferred tax asset

	2024 \$	2023 \$
At the beginning of the year	-	-
Credit to profit or loss	377,129	-
At the end of the year	377,129	-

The deferred tax asset is made up as follows:

AFG AVIATION IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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	2024 \$	2023 \$
Tax losses carried forward	377,129	-
	377,129	-
	377,129	-
12. Investment		Investment in subsidiary company \$
Cost or valuation		
At 1 January 2024		168,031
At 31 December 2024		168,031
Impairment/write off		
At 01 January 2024		137,322
Write off for the period		30,708
At 31 December 2024		168,030
Net book value		
At 31 December 2024		
At 31 December 2023		1 30,709

Subsidiary undertakings

The following was a subsidiary undertaking of the company as of 31 December 2024.

AFG AVIATION IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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Name of subsidiary	Registered Office	Class of shares	Holding
AFG Aviation Cargo Ventures No. 1 (Ireland) Limited (in liquidation)	Republic of Ireland	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2024 and the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

Name of Subsidiary	Aggregate of share capital and reserves \$	Profit/(loss) \$
AFG Aviation Cargo Ventures No. 1 (Ireland) Limited	(9,213)	(3,262)

On 04 January 2024, Aircraft Finance Germany SAM, a subsidiary of the company was dissolved.

13. Debtors

	2024 \$	2023 \$
Amounts owed by group undertakings	14,527,405	14,105,578
Deposits	6,350,000	2,696,150
Other debtors	1,354,962	367,842
VAT receivable	284,172	121,973
Corporation tax repayable	397,767	-
Prepayments	127,690	212,297
Trade debtors	-	11,470
	<u>23,041,996</u>	<u>17,515,310</u>

Amounts owed by group undertakings are unsecured, repayable on demand, and carry interest rates ranging between 1% to 3%. As at 31 December 2024, the gross amount owed by group undertakings was \$ 14,527,405 (2023: \$15,741,433). No provision has been made in the financial statements for the year ended 31 December 2024, as management does not consider any balances to be doubtful at year end. At 31 December 2023, provisions of \$1,635,855 had been recognised.

14. Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank and in hand	<u>25,609,021</u>	<u>26,868,238</u>

AFG AVIATION IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year

	2024	2023
	\$	\$
Trade creditors	7,027,216	182,853
Deferred income	2,930,135	1,860,000
Accruals	116,450	84,713
Corporation tax	-	59,202
Other creditors	-	30,708
	10,073,801	2,217,476
	10,073,801	2,217,476

16. Creditors: Amounts falling due after more than one year

	2024	2023
	\$	\$
Amounts owed to group undertakings	14,336,421	15,378,035
	14,336,421	15,378,035
	14,336,421	15,378,035

Amounts owed by group undertakings are unsecured, repayable on demand, and carry interest rates of 3%.

17. Financial Instruments

	2024	2023
	\$	\$
Financial assets		
Financial assets measured at amortised cost	41,491,388	44,049,278
	41,491,388	44,049,278
	41,491,388	44,049,278

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**NOTES TO THE FINANCIAL STATEMENTS
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	2024	2023
	\$	\$
Financial Liabilities		
Financial liabilities measured at amortised cost	21,363,637	(17,451,596)
	<u>21,363,637</u>	<u>(17,451,596)</u>

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, group debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, bank loans and other borrowings.

18. Share capital

	2024	2023
	\$	\$
Authorised, allotted, called up and fully paid 1 (2023: 1) Ordinary share capital share of €1.00	<u>1</u>	<u>1</u>

19. Reserves

Retained earnings

This account relates to the cumulative retained earnings less amounts distributed to shareholders.

20. Related party transactions

During the year, the company entered into transactions with related parties. The details of these transactions are as follow:

Transactions with Key Management Personnel

Included in consultancy fees is an amount of \$2,872,075 (2023: \$2,152,257) paid for services provided by entities controlled by directors and key management personnel. These transactions were conducted at arm's length and were approved by the directors. These transactions are disclosed in accordance to Section 33 of FRS 102, which requires the disclosure of related party transactions to ensure transparency and compliance with accounting standards.

AFG AVIATION IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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21. Commitments under operating leases

At 31 December 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024	2023
	\$	\$
Not later than 1 year	-	98,071
Later than 1 year and not later than 5 years	-	343,248
	<u>-</u>	<u>441,319</u>
	<u>-</u>	<u>441,319</u>

22. Subsequent events

There have been no significant events affecting the Company since the year end.

23. Ultimate controlling party

The ultimate controlling party is Christian Nuehlen, who owns 100% of Aircraft Finance Germany GmbH, a company incorporated in Germany. Aircraft Finance Germany GmbH holds 100% of the shares in AFG Aviation Ireland Limited.

24. Approval of financial statements

The board of directors approved these financial statements for issue on 27 February 2026.