

MERIT AIR LIMITED

Unaudited Abridged Financial Statements
For the period from 21 May 2024 (incorporation date) to 31 May 2025

MERIT AIR LIMITED

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MERIT AIR LIMITED

NAMES OF DIRECTORS AND OTHER INFORMATION

Company Registration No: 764484

Place of Registration: Fourth Floor, One Molesworth Street, Dublin 2, Dublin, D02 RF29, Ireland

Legal Form of Company: Private company limited by shares

Registered Office: Fourth Floor, One Molesworth Street, Dublin 2, Dublin, D02 RF29, Ireland

Directors: Mark Flanagan (resigned 31 December 2025) | Catherine Lane | James Whitehorn | Jeremy O'Sullivan |

Secretary: Simmons & Simmons Corporate Services Limited

Solicitors: Simmons & Simmons (Ireland) LLP

MERIT AIR LIMITED

STATEMENT OF FINANCIAL POSITION AS OF 31 MAY 2025

(Expressed in United States dollars)

	2025 US\$
Assets	
Current assets	
Cash at bank and on hand	304,146
Other receivables	946,731
Total current assets	<u>1,250,877</u>
Non-current assets	
Financial assets at fair value through profit or loss	<u>16,771,000</u>
Total assets	<u>18,021,877</u>
Liabilities	
Current liabilities	
Accounts payable	550,735
Loan and credit from other lenders	<u>2,465,000</u>
Total liabilities	<u>3,015,735</u>
Share Capital	
Total Share Capital	<u>15,006,142</u>
Total liabilities and share capital	<u><u>18,021,877</u></u>

I, as director(s) of Merit Air Limited, state that:

- (a) the company is availing itself of the exemption provided for by [Chapter 15](#) of Part 6 of the Companies Act 2014,
- (b) the company is availing itself of the exemption on the grounds that the conditions specified in [Section 358](#) of the Companies Act 2014 are satisfied,
- (c) the shareholders of the company have not served a notice on the company under [Section 334](#) part (1) of the 2014 Act in accordance with Section 334 part (2),
- (d) I acknowledge the company's obligations under the Companies Act 2014, to keep adequate accounting records and prepare Financial Statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial period and of its profit or loss for such a period and to otherwise comply with the provisions of Companies Act 2014 relating to Financial Statements so far as they are applicable to the company,
- (e) the company has relied on the specified exemption contained in [Section 352](#) of the Companies Act 2014; has done so on the grounds that the company is entitled to the benefit of that exemption as a small company and the abridged Financial Statements have been properly prepared in accordance with [Section 353](#) of the Companies Act 2014.

On behalf of the board:

TYPED Name of Signatory: Catherine Lane

Director

Date: 9 January 2026

See accompanying notes to financial statements.

MERIT AIR LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 21 MAY 2024 (INCORPORATION DATE) TO 31 MAY 2025 (Expressed in United States dollars)

	2025 US\$
Income	
Operating Income	847,135
Net gain on financial assets through profit or loss	2,071,000
Total Income	2,918,135
Expenses	
Set-up costs	1,320,443
Management fee	151,258
Professional fees	23,496
Operational costs	2,399,210
Other costs	17,586
Total Expenses	3,911,993
Net loss	(993,858)

MERIT AIR LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 21 MAY 2024 (INCORPORATION DATE) TO 31 MAY 2025 *(Expressed in United States dollars)*

	2025 US\$
Share Capital, beginning of period	-
Capital Subscriptions	16,000,000
Net loss	(993,858)
Share Capital, end of period	<u><u>15,006,142</u></u>

MERIT AIR LIMITED

STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 21 MAY 2024 (INCORPORATION DATE) TO 31 MAY 2025 (Expressed in United States dollars)

	2025
	US\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	(993,858)
Adjustment to reconcile net loss to net cash used in operating activities:	
Changes in operating assets and liabilities:	
Financial assets at fair value through profit or loss	(2,071,000)
Other receivables	(946,731)
Accounts payable	550,735
NET CASH USED IN OPERATING ACTIVITIES	(3,460,854)
CASH FLOWS FROM FINANCING ACTIVITIES	
Loan and credit from other lenders	2,465,000
Proceeds from issue of redeemable shares	1,300,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	3,765,000
NET CHANGE IN CASH	304,146
CASH, BEGINNING OF THE PERIOD	-
CASH, END OF THE PERIOD	304,146
Supplemental disclosure of cash flow information	
In-kind capital subscriptions	\$ 14,700,000
In-specie transaction	\$ 14,700,000

MERIT AIR LIMITED

NOTES TO FINANCIAL STATEMENTS

1. General information

Merit Air Limited (the “Company”), is a private company limited by shares, registered under Part 2 of the Companies Act 2014 (the “Act”). The Company was incorporated on 21 May 2024. The Company’s shares are not traded in a public market. Subject to the provisions of the Act and the Company’s Constitution, the Company shall be managed by the directors who may exercise all the powers of the Company.

2. Summary of significant accounting policies

Basis of preparation

The abridged financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by International Accounting Standards Board.

Judgements made by management in the application of IFRS that have significant effects on the financial statements are disclosed, where applicable, in the relevant notes to the financial statements.

The financial statements have been prepared on a going concern basis.

Foreign currency

Functional and presentation currency

These financial statements are presented in U.S. Dollars (“US\$”), which is the Company’s functional currency.

Financial assets at fair value through profit or loss

(a) Classification

The Company classifies its investments based on both the Company’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The collection of contractual cash flows is only incidental to achieving the Company’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss. As such, the Company classifies all of its investment portfolio as financial assets at fair value through profit or loss.

(b) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognized on the trade date – the date on which the Company commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are presented in the statement of comprehensive income within other net changes in fair value of financial assets at fair value through profit or loss in the period in which they arise.

MERIT AIR LIMITED

NOTES TO FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Financial assets at fair value through profit or loss (continued)

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Company utilizes the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent ordinary transactions between market participants, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Cash at bank and on hand

Cash at bank and on hand includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less.

Accounts payable

Accounts payable include accrued expenses payable and are recognized using the accrual basis of accounting.

Other receivables

Other receivables include amounts receivable from third parties and are recognized at fair value.

Loans and credit from other lenders

Loans and borrowings are initially recognised at fair value, net of transaction costs incurred.

Set-up costs

Set-up costs are costs incurred to acquire financial assets at fair value through profit or loss. Set-up costs, when incurred, are immediately recognized in profit or loss as an expense.

Operational costs

Operational costs consist of flight-related costs, payroll and other operating costs. Operational costs, when incurred, are immediately recognized in profit or loss as an expense.

Operating income

Operating income primarily comprises income arising from the Company's core operating activities and is recognized on a trade date basis.

MERIT AIR LIMITED

NOTES TO FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Net gain on financial assets through profit or loss

Changes in fair value of financial assets designated at fair value through profit or loss are recognised in profit or loss as they arise and represent Unrealised gains and losses during the reporting period.

3. Share capital

The authorised share capital of the company is €100 divided into 100 shares of €1.00 each. The capital may be divided into different classes of shares with any preferential deferred or special rights or privileges attached thereto and from time to time the Company's regulations may be varied so far as may be necessary to give effect to any such preference restriction or other term.

4. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Directors remuneration for the period amounted to \$Nil.

The aggregate amount of emoluments paid to or receivable by directors in respect of qualifying services was \$Nil.

The aggregate amount of the gains by the directors on the exercise of share options during the financial period was \$Nil.

The aggregate amount of the money or value of other assets, including shares but excluding share options, paid to or receivable by the directors under long term incentive schemes in respect of qualifying services for the financial period was \$Nil.

The aggregate amount of any contributions paid, treated as paid, or payable during the financial period to a retirement benefit scheme in respect of qualifying services of directors was \$Nil.

The aggregate amount of any compensation paid or payable to directors in respect of loss of office or other termination payments in the financial period was \$Nil.

On July 18, 2024, the Company had in-specie subscriptions of US\$14,700,000 from Merit Fund, a sub-fund of Kenure ICAV.

5. Events after the reporting period

Effective 8 December 2025, the Company received an in-specie redemption request to liquidate 100% of the holdings.

Effective 18 December 2025, the name of the Company was changed from Merit Air Limited to Merit Capital Limited.

Effective 31 December 2025, Mark Flanagan resigned as a Director of the Company.

6. Approval of Financial Statements

These financial statements were approved by the Board of Directors on 9 January 2026.