

Macquarie AirFinance (No 2) Limited
Company Registration Number 435319

Directors' Report and Financial Statements
For the financial year ended 31 March 2025

The Company's registered office is:
First Floor, Connaught House
1 Burlington Road
Dublin 4
Ireland

Macquarie AirFinance (No 2) Limited

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Macquarie AirFinance (No 2) Limited

Balance sheet

As at 31 March 2025

	Note	2025 \$'000	2024 \$'000
Current assets			
Debtors falling due within one year	3	-	-
		-	-
Creditors: amounts falling due within one year	4	(1)	(1)
Net current assets/(liabilities)		(1)	(1)
Total assets less current liabilities		(1)	(1)
Net assets/(liabilities)		(1)	(1)
Capital and reserves			
Called up share capital presented as equity	5	78	78
Retained earnings/(accumulated deficit)	6	(79)	(79)
Total equity		(1)	(1)

We, as Directors of Macquarie AirFinance (No 2) Limited state that:

- The Company is availing itself of the audit exemption provided for by Chapter 16 of Part 6 of the Companies Act 2014;
- The Company is availing itself of the exemption on the grounds that the conditions specified in s.365(2) are satisfied;
- We acknowledge the Company's obligations under Companies Act 2014, to keep adequate accounting records and to 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 year and of its profit or loss for such a year and to otherwise comply with the provisions of Companies Act 2014 relating to financial statements so far as they are applicable to the Company;
- We hereby certify that we have relied on the specific exemption contained in s.365 Companies Act 2014 on the grounds that the Company is entitled to the benefits of that exemption as a dormant company; and
- The Company has relied on the specified exemption contained in s.352 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 s.353 Companies Act 2014.

The financial statements were approved by the Board of Directors on 22 January 2026 and were signed on its behalf by:



Eveleen Drohan



Victoria Clarke

The accompanying Notes form an integral part of these financial statements.

Macquarie AirFinance (No 2) Limited

Notes to the financial statements

For the financial year ended 31 March 2025

1. General information

Macquarie AirFinance (No 2) Limited (“the Company”, “we” or “us”) is a private company limited by shares and is incorporated and domiciled in Ireland. The address of its registered office is First Floor, Connaught House, 1 Burlington Road, Dublin 4, Ireland. The Company’s registration number is 435319.

The Company did not carry out any business activities during the financial year ended 31 March 2025.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared on a going concern basis and in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council, including Financial Reporting Standard 101 *Reduced Disclosure Framework*) and Irish law.

The Directors have a reasonable expectation that the Company will continue in operational existence for twelve months from the date of approval of these financial statements (‘the period of assessment’). The Company’s financial prospects are interlinked and dependent on the Group’s financial prospects.

Based on the above, the Directors have concluded that the Company has no material uncertainties which would cast a significant doubt on the Company’s ability to continue as a going concern over the period of assessment.

FRS 101 sets out a reduced disclosure framework for a ‘qualifying entity’ as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards (“IFRS”) and with the requirements of the Companies Act 2014. The financial statements have been prepared under the historical cost convention.

The Company is a qualifying entity for the purposes of FRS 101. The related party note gives details of the Company’s ultimate parent and from where the Group consolidated financial statements prepared in accordance with UK-adopted international accounting standards may be obtained.

In accordance with FRS 101, the Company has availed exemptions from the following requirements of IFRS:

- the requirements of IFRS 7 ‘*Financial Instruments: Disclosures*’, provided that equivalent disclosures are included in the consolidated financial statements of Macquarie AirFinance Limited (“MAF”), in which the Company is consolidated;
- the requirements of paragraphs 91 to 99 of IFRS 13 ‘*Fair Value Measurement*’ (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities), provided that equivalent disclosures are included in the consolidated financial statements of MAF, in which the Company is consolidated;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to 119(c), 120 to 127 and 129 of IFRS 15 ‘*Revenue from Contracts with Customers*’;
- the requirements of International Accounting Standards (“IAS”) 7 ‘*Statement of Cash Flows*’;

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Notes to the financial statements (continued)

For the financial year ended 31 March 2025

- the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 'Impairment of Assets', provided that equivalent disclosures are included in the consolidated financial statements of MAF, in which the Company is consolidated; and
- the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group where both parties to the transaction are wholly owned within the group.

Changes in accounting policy and disclosures

(a) *New legislation, standards, amendments and interpretations adopted by the Company:*

International Tax Reform – Pillar Two Model

Pillar Two legislation was enacted in the United Kingdom on 11 July 2023 and in Ireland on 18 December 2023, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for financial years beginning on or after 31 December 2023. The Group has applied the mandatory exception under IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

The adoption of the above legislation has not had a material impact on the financial statements.

Amendments to existing standards

The following amendments are effective for annual reporting periods commencing on or after January 1, 2024, and have been adopted by the Group.

- i. Classification of Liabilities as Current or Non-current – Amendments to IAS 1;
- ii. Supplier finance arrangements – Amendments to IAS 7 and IFRS 7, and
- iii. Lease Liability in a Sale and Leaseback – Amendments to IFRS 16.

(b) *New standards, amendments and interpretations not yet adopted by the Company:*

On 28 May 2025, the Financial Reporting Council (FRC) issued its amendments to FRS 101 to encompass the amendments made to IFRS Accounting Standards, notably disclosure exemptions from new requirements of IFRS 18, 'Presentation and Disclosure in Financial Statements'. The amendments largely maintain current exemptions that apply to requirements under IAS 1 that have been retained in or moved to other IFRS accounting standards by IFRS 18.

The Company is in the process of assessing the potential impact of the above for when they come into effect, which is for annual periods beginning on or after January 1, 2027.

Critical accounting estimates and significant judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies.

No such critical accounting estimates were used in the preparation of these financial statements.

Macquarie AirFinance (No 2) Limited

Notes to the financial statements (continued)

For the financial year ended 31 March 2025

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of foreign operations are measured using the currency of the primary economic environment in which the foreign operation operates (the "functional currency"). The Company's financial statements are presented in United States Dollars ("\$") (the "presentation currency"), which is the Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the profit and loss account.

Revenue and expense recognition

Revenue is measured at the fair value of the consideration received or receivable.

Expenses

Expenses are brought to account on an accrual basis and, if not paid at the end of the reporting period, are reflected on the balance sheet as a payable.

Taxation

The tax benefit or expense for the financial year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income ("OCI") or directly in equity.

The current income tax credit or charge is calculated on the basis of the tax laws enacted or substantially enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when (a) the related deferred income tax asset is realised or (b) the deferred income tax liability is settled.

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Notes to the financial statements (continued)

For the financial year ended 31 March 2025

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Income tax liability is the expected tax payable on the taxable income for the financial year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous financial years.

Where allowed, the taxable losses from individual entities are offset against taxable income in other entities within the same jurisdiction. The provision for income taxes incorporates assumptions that these allocations will be reimbursed through intergroup payments.

Financial instruments

(a) *Classification*

Financial assets are classified in the following categories:

- i. those to be measured subsequently at fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”), and
- ii. those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

(b) *Recognition of financial instruments*

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset.

(c) *Initial and subsequent measurement*

A financial instrument is initially recognised at fair value and is adjusted for (in the case of instruments not carried at FVTPL) transaction costs that are incremental and directly attributable to the acquisition or issuance of the financial instrument. Transaction costs relating to financial instruments carried at FVTPL are expensed in the profit and loss account.

Financial assets that do not have cash flows that represent solely payments of principal and interest are subsequently measured at FVTPL.

(d) *Classification and subsequent measurement*

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a current legally enforceable right to offset the amounts and either there is an intention to settle on a net basis, or realise the financial asset and settle the financial liability simultaneously.

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Notes to the financial statements (continued)

For the financial year ended 31 March 2025

(e) *Derecognition of financial instruments*

i. Financial assets

Financial assets are de-recognised when:

- the rights to cash flows have expired.
- the Company has transferred the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset.

ii. Financial liabilities

Financial liabilities are de-recognised from the balance sheet when the Company's obligation has been discharged, cancelled or has expired.

(f) *Impairment of financial assets*

The Company recognises an allowance for expected credit losses ("ECL") for all financial assets not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The determination of ECL takes into account collateral held or other credit enhancements that are integral to the contractual terms such as security deposits and/or letters of credit.

Loss allowances of the Company are measured either by applying the simplified approach or general approach.

i. Simplified approach

The Company applies the simplified approach to provide for ECL for all trade receivables, loan receivables from lessees and accrued revenue. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL.

ii. General approach

Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition. This is commonly referred to as stage I.

Periodically, and at a minimum at each reporting date, the Company assesses whether there is a significant increase in credit risk ("SICR") since initial recognition. If there is, the loss allowance is measured at an amount equal to lifetime ECL. This is commonly referred to as stage II.

When evaluating changes in credit risk the Company primarily relies on internal credit ratings. The Company assigns an internal credit rating to each exposure at origination based on information available at that date. The internal ratings for each exposure are reviewed at least once a year, or more frequently, if necessary, to ensure any deterioration is identified and reflected in an adjustment to their rating. Furthermore, other indicators of deterioration in credit quality are regularly monitored, such as payment history, changes in the exposure's business and other external data. Because of the nature of our business and operations and our historical experience, exposures which are 30 days past due are not automatically considered to represent a SICR.

Financial assets with objective evidence of impairment at the reporting date are classified as credit impaired. For these assets lifetime ECL are recognised. This is commonly referred to as stage III.

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Notes to the financial statements (continued)

For the financial year ended 31 March 2025

Default is generally defined as the point when the counterparty is unlikely to pay its credit obligations in full, without recourse by the Company to the realisation of collateral; or the borrower is 90 days or more past due.

A financial asset loss allowance calculation is upgraded from lifetime ECL (stage II or stage III) to 12-month ECL (stage I) if a counterparty performs consistently for at least six months and meets its credit obligations. There were no such movements in the current reporting year or in the prior year.

Write-off

When the Company concludes that there is no reasonable expectation of recovering cash flows from the financial asset, all possible collateral has been realised, and it is no longer subject to enforcement activity, the financial asset is written off, either partially or in full, against the related allowance. Recoveries of financial assets previously written off are recorded based on the cash received.

Forward-looking information ("FLI")

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, 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 includes forward-looking information. In incorporating FLI management has exercised judgement in determining the inputs and application of the methodology to calculate ECL. Changes in actual or future economic conditions could vary which would result in variances between the calculated ECL and actual results.

Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

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Notes to the financial statements (continued)

For the financial year ended 31 March 2025

3. Debtors

	2025	2024
	\$'000	\$'000
Amounts falling due within one year:		
Amounts owed by related parties	-	-
Less: expected credit loss provisions	-	-
Total amounts owed by related parties, net	-	-
Total amounts falling due within one year	-	-
Total debtors	-	-

Amounts owed by related parties include related party balances and management fees payable, as applicable, that have been offset according to the Group omnibus agreement. This is a legally enforceable right of set-off of all related balances between Group companies. Amounts owed by related parties are unsecured and are repayable on demand or at a specified time within one year. The Company earns interest income on amounts owed by related parties as applicable.

4. Creditors: amounts falling due within one year

	2025	2024
	\$'000	\$'000
Amounts falling due within one year:		
Amounts owed to related parties	(1)	(1)
Total amounts owed to related parties	(1)	(1)
Total creditors: amounts falling due within one year	(1)	(1)

Amounts due to related parties include related party balances and management fees payable, as applicable, that have been offset according to the Group omnibus agreement. This is a legally enforceable right of set-off of all related balances between Group companies. The Company incurs interest expense on amounts owed to related parties, as applicable, at market rates and at 31 March 2025 the interest rate applied was SOFR plus 1.13% (2024: SOFR plus 0.96%).

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Notes to the financial statements (continued)

For the financial year ended 31 March 2025

5. Called up share capital presented as equity

	2025 Number of shares	2024 Number of shares	2025 \$'000	2024 \$'000
Ordinary share capital:				
Opening balance of fully paid ordinary shares of EUR 1 each ¹	1	1	-	-
Opening balance of fully paid ordinary shares of USD 1 each	77,537	77,537	78	78
Closing balance of called up share capital presented as equity	77,538	77,538	78	78

At 31 March 2024, the Company, along with certain affiliates of the Company, guaranteed all unsecured financial indebtedness of the Company's indirect parent, Macquarie AirFinance Holdings Limited ("MAHL"). On 30 August 2024, all subsidiary guarantees of MAHL's financial indebtedness were terminated and released. The effect of this termination and release is that from 30 August 2024, neither the Company (nor any other subsidiary of MAHL) guarantees MAHL's unsecured financial indebtedness.

¹Represents share capital equivalent of \$1.09 (2024: \$1.09).

6. Retained earnings/(accumulated deficit)

	2025 \$'000	2024 \$'000
Balance at the beginning of the financial year	(79)	(79)
Profit/(loss) attributable to the ordinary equity holders of the Company	-	-
Balance at the end of the financial year	(79)	(79)

7. Related party information

As of the reporting date, the immediate parent company of the Company is Macquarie Aerospace Finance Limited. The ultimate parent undertaking and controlling party of the Company is MAF, a company incorporated in England. MAF is the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements for MAF can be obtained from the Company Secretary, 4 Coleman Street, London, EC2R 5AR, United Kingdom.

As 100% of the voting rights of the Company are controlled within the Group headed by MAF, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the Group. The consolidated financial statements of MAF, within which the Company is included, can be obtained from the address given above.

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Notes to the financial statements (continued)

For the financial year ended 31 March 2025

The Company does not have any related party transactions or balances other than those with entities which form part of the Group as mentioned above.

8. Directors' remuneration

During the financial years ended 31 March 2025 and 31 March 2024, all Directors were employed by, and received all emoluments from, other Group undertakings. The Directors perform duties as directors for multiple entities in the Group, as well as their employment duties within the Group. There was no remuneration paid to the Directors in relation to their services as directors of the Company in both years presented.

9. Contingent liabilities and commitments

The Company had no purchase commitments or contingent liabilities which are individually material or a category of commitments or contingent liabilities which are material.

10. Events after the reporting date

The Directors are not aware of any matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial year subsequent to 31 March 2025.

11. Approval of the financial statements

The Directors approved the financial statements on 22 January 2026.