

COMPANY REGISTRATION No:  
760336

BTL AVIATION CO LIMITED

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 DECEMBER 2025

**BTL AVIATION CO LIMITED**

**CONTENTS**

|                                       | Page    |
|---------------------------------------|---------|
| DIRECTORS AND OTHER INFORMATION       | 2       |
| DIRECTORS' REPORT                     | 3       |
| DIRECTORS' RESPONSIBILITIES STATEMENT | 4       |
| INDEPENDENT AUDITOR'S REPORT          | 5 - 7   |
| STATEMENT OF COMPREHENSIVE INCOME     | 8       |
| STATEMENT OF FINANCIAL POSITION       | 9       |
| STATEMENT OF CHANGES IN EQUITY        | 10      |
| STATEMENT OF CASHFLOWS                | 11      |
| NOTES TO THE FINANCIAL STATEMENTS     | 12 - 21 |

**BTL AVIATION CO LIMITED**

**DIRECTORS AND OTHER INFORMATION**

DIRECTORS: Mel Kiernan (Irish)  
Patrick Kenny (Irish)  
Tomoki Muto (Japan) (appointed on 26 January 2026)  
Hisanori Kamachi (Japan) (resigned on 26 January 2026)  
Ciaran Connolly (Irish) (Alternate Director - appointed and resigned on 16 June 2025)

ADMINISTRATOR AND COMPANY SECRETARY: Apex IFS Limited  
2nd Floor, Block 5, Irish Life Centre  
Abbey Street Lower  
Dublin, D01 P767  
Ireland

REGISTERED OFFICE: 2nd Floor, Block 5 Irish Life Centre  
Abbey Street Lower  
Dublin, D01 P767  
Ireland

INDEPENDENT AUDITOR: EisnerAmper Audit Limited  
Chartered Accountants and Statutory Audit Firm  
6 The Courtyard Building  
Carmanhall Road  
Sandyford  
Dublin 18  
Ireland

SOLICITORS: McCann FitzGerald LLP  
Riverside One,  
Sir John Rogerson's Quay,  
Dublin 2,  
D02 X576

BANK: MUFG Bank, Ltd.  
Mitsubishi Ufj Trust and Banking Bldg.,  
1 Chome-4-5 Marunouchi,  
Chiyoda City,  
Tokyo 100-0005, Japan  
  
Citibank Europe plc  
1 North Wall Quay,  
Dublin 1, Ireland

AIRCRAFT SERVICER: Deucalion Aviation Ireland Limited  
New Street,  
Ballinrobe,  
Co. Mayo, F31 DC97  
Ireland

REGISTERED NUMBER OF INCORPORATION: 760336

**BTL AVIATION CO LIMITED**

**DIRECTORS' REPORT**

The Directors present their annual report together with the audited financial statements of BTL Aviation Co Limited (the 'Company'), for the financial year ended 31 December 2025, in accordance with International Financial Reporting Standards.

**PRINCIPAL ACTIVITIES**

The Company was incorporated and registered in Ireland on 21 March 2024. The Company is a wholly owned subsidiary of MUFG Finance and Leasing Co.Ltd (the "Parent Company") (previously named as BOT Lease Co. Limited until 30 September 2025) which is mainly owned by MUFG Financial Group, a company incorporated and registered in Japan. The Company registration number is 760336.

The principal activities of the Company is purchase, sale and leasing of aircraft. The Company entered into a Sales and Purchase agreement (the 'Sale Agreement') with BOC Aviation Limited for the purchase of a Boeing 737-8 aircraft (the 'Aircraft') with serial number 44605 and as part of the Sale Agreement, the relevant existing Lessor assigned the relevant Lease in favour of the Company. All the legal rights in respect of the aircraft have been transferred to the Company.

The acquisition of the Aircraft was financed by an intercompany loan from MUFG Finance and Leasing Co.Ltd.

The Company entered into an operating lease agreement with TUI Travel Aviation Finance Limited (the 'lessee') for the leasing of the Aircraft on 29 April 2024.

The Company has taken the decision to sell the Aircraft Asset and reclassified the asset as Held for Sale from 1 October 2025 onwards.

**BUSINESS REVIEW**

The results for the financial period are set out in the Statement of Comprehensive Income on page 8 and the statement of financial position on page 9 of the financial statements. The result for the financial period was a loss before tax of USD 568,320 (2024: USD 869,289). Total assets amount to USD 57,451,725 (2024: USD 56,685,575), total liabilities amounted to USD 58,839,334 (2024: USD 57,504,864). The total equity at the end of the financial period amounted to USD 1,387,609 (2024: USD 819,289).

**FUTURE DEVELOPMENTS**

The Directors do not expect any changes to the principal activities of the Company in the foreseeable future.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Company is exposed to asset and credit risk, liquidity risk, and market risk. The key risks facing the Company are outlined in Note 22 of the financial statements.

**RESULTS AND DIVIDENDS FOR THE FINANCIAL PERIOD**

The results for the financial period are set out in the Statement of Comprehensive Income on page 8 and the Statement of Financial Position on page 9 of the financial statements.

No dividends were declared or paid by the Company during the financial period and the Directors do not propose a final dividend.

**DIRECTORS AND SECRETARY AND THEIR INTERESTS**

The Directors who served during the financial year are as follows:

| Name             | Appointed  | Resigned   |
|------------------|------------|------------|
| Mel Kiernan      | 21/03/2024 |            |
| Patrick Kenny    | 21/03/2024 |            |
| Tomoki Muto      | 26/01/2026 |            |
| Hisanori Kamachi | 21/03/2024 | 26/01/2026 |

On 26 January 2026, Hisanori Kamachi resigned as a Director of the Company. On the same date, Tomoki Muto was appointed as a Director of the Company.

The Directors and Secretary who held office at 31 December 2025 had no interests in the shares, share options, deferred shares, debentures or loan stock of the Company for the financial year requiring disclosure in the financial statements pursuant to section 329 of the Companies Act 2014.

**POLITICAL AND CHARITABLE DONATIONS**

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over €200 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.

The Directors have satisfied themselves that no charitable donations have been made by the Company during the financial period.

**ACCOUNTING RECORDS**

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records in accordance with section 281 to 285 of the Companies Act 2014 are the use of appropriate systems and procedures and employment of competent persons. To achieve this, the Directors have appointed Apex IFS Limited ("Apex") to provide accounting services. The accounting records are kept at 2nd Floor, Block 5 Irish Life Centre, Abbey Street Lower, Dublin D01 P767, Ireland.

**EVENTS AFTER THE REPORTING PERIOD**

On 27 January 2026 the Company signed a Letter of Intent to sell the aircraft asset. On 31 March 2026 the Directors signed the Aircraft Sale and Purchase Agreement to complete the sale of the Aircraft.

**BTL AVIATION CO LIMITED**

**GOING CONCERN**

The Directors noted that the Company incurred a loss before tax of USD 568,320 (2024: USD869,289) for the financial period under review. The Company's ability to operate as a going concern is currently dependent upon continued financial support from the Parent Company. The Company has received a letter of support from the Parent Company confirming that the Parent Company will continue to support the Company for a period of at least 12 months from the date of approval of the financial statements, so as to enable the Company to carry on its normal business without any significant curtailment to operations. The key assumptions and considerations identified as underpinning the Parent Company's ability to support the Company over the next 12 months include its liquidity to make available sufficient cashflow funds to the Company. Based on all available information at present, the Directors believe that the Parent Company has sufficient liquidity to provide continued financial support to the Company to meet its commitments as they fall due over the next 12 months. The Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, and on this basis the financial statements are prepared on a going concern basis, and do not include any adjustment that would be necessary if this basis were inappropriate. The Directors do not believe any of the matters considered indicate a material uncertainty relating to the Company's ability to continue as a going concern. Along with letter of support from parent entity, there is a profit expected on sale of aircraft asset which is sufficient to repay intercompany loan, operating expenses and a small profit is left in the company. After the sale of Aircraft asset, the Company may still purchase assets in the future with support from parent entity. In case of no revenue generated by the Company, the operating expenses of the Company will be borne by the Parent Company - MUFG Finance and Leasing Co. Ltd. Taking into consideration the information supplied above, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors are not aware of any circumstances which raise concern over the preparation of the financial statements on a going concern basis.

**INDEPENDENT AUDITOR**

EisnerAmper Audit Limited, Chartered Accountants and Statutory Audit Firm, auditor to the Company, have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

**DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the International Financial Reporting Standards as adopted by the European Union ("relevant financial reporting framework"). 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 date and of the profit or loss of the company for the financial period and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; 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 are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain 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; and
- enable the Directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The Directors 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.

**STATEMENT ON RELEVANT AUDIT INFORMATION**

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

- (i) so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (ii) he or she has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information, and to establish that the Company's auditors are aware of that information.

**On behalf of the Board of Directors**



Mel Kiernan  
Director  
Date: 02 April 2026



Patrick Kenny  
Director  
Date: 02 April 2026

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

We have audited the financial statements of BTL Aviation Co Limited (the "Company") for the year ended from 31 December 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, Statement of Cash Flows and the related notes to the financial statements, including the summary of significant accounting policies set out in Note 2. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the Company's assets, liabilities and financial position as at 31 December 2025 and of its loss for the year then ended; and
- have been properly prepared in accordance with IFRSs 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 authorized 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 BTL AVIATION CO LIMITED (CONTINUED)**

### **Other information (continued)**

In connection with our audit of the financial statements, 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.

### **Opinions on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, 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.

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**

In the light of 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 4, the directors are responsible for the preparation of the financial statements and for being satisfied 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 BTL AVIATION CO 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 (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://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](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 work 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.

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**Peter MacDonald**  
**For and on behalf of EisnerAmper Audit Limited**  
**Chartered Accountants and Statutory Audit Firm**  
**Dublin**

**Date: 2 April 2026**

## BTL AVIATION CO LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
for the financial year ended 31 December 2025

|                         | Note | Financial year ended<br>31 December 2025<br>USD | Financial period from<br>21 March 2024 to 31<br>December 2024<br>USD |
|-------------------------|------|---|--|
| <b>Revenue</b>          |      |   |  |
| Operating lease income  | 4    | 4,344,000                                       | 2,896,000  |
| <b>Total Revenue</b>    |      | <u><b>4,344,000</b></u>                         | <u><b>2,896,000</b></u>  |
| <b>Expenses</b>         |      |   |  |
| Depreciation            | 10   | (1,380,778)                                     | (1,249,276)  |
| Amortisation            | 5    | (54,011)  | (39,414)   |
| Administrative expenses | 5    | (647,907)                                       | (194,602)  |
|                         |      | <u><b>(2,082,696)</b></u>                       | <u><b>(1,483,292)</b></u>  |
| <b>Operating profit</b> |      | <u><b>2,261,304</b></u>                         | <u><b>1,412,708</b></u>  |
| Finance income          | 6    | 34,358  | 28   |
| Finance expense         | 7    | (2,863,982)                                     | (2,282,025)  |
| <b>Loss before tax</b>  |      | <u><b>(568,320)</b></u>                         | <u><b>(869,289)</b></u>  |
| Corporation tax         | 9    | (8,590)   | -  |
| Deferred tax            | 9    | 183,996   | -  |
| <b>Loss after tax</b>   |      | <u><b>(392,914)</b></u>                         | <u><b>(869,289)</b></u>  |

The Company has adopted a single Statement of Comprehensive Income. There are no other components of Other Comprehensive Income and therefore no separate Statement of Other Comprehensive Income has been prepared.

All items dealt with in arriving at the profit for the financial period ended 31 December 2025 are related to continuing operations.

The accompanying notes approved on behalf of the Board on pages 12 - 21 form an integral part of these financial statements.

**BTL AVIATION CO LIMITED**

**STATEMENT OF FINANCIAL POSITION**  
as at 31 December 2025

|  | Note | Financial year ended<br>31 December 2025<br>USD | Financial period from<br>21 March 2024 to 31<br>December 2024<br>USD |
|--|------|---|--|
| <b>Assets</b>  |      |   |  |
| <b>Non-current assets</b>  |      |   |  |
| Aircraft   | 10   | -   | 53,831,694   |
| Capitalised cost   | 12   | -   | 495,287  |
| <b>Total non-current assets</b>                                  |      | <b>-</b>  | <b>54,326,981</b>  |
| <b>Current assets</b>  |      |   |  |
| Asset held-for-sale  | 11   | 52,450,915                                      | -  |
| Trade and other receivables                                      | 13   | 1,689   | 130,570  |
| Cash and cash equivalents  | 14   | 4,999,121                                       | 2,228,024  |
| Deferred tax asset   | 9    | 183,996   | -  |
| <b>Total current assets</b>                                      |      | <b>57,635,721</b>                               | <b>2,358,594</b>   |
| <b>Total assets</b>  |      | <b>57,635,721</b>                               | <b>56,685,575</b>  |
| <b>Equity</b>  |      |   |  |
| Share capital presented as equity                                | 19   | 50,000  | 50,000   |
| Retained deficit   |      | (1,262,203)                                     | (869,289)  |
| <b>Total equity attributable to equity holder of the Company</b> |      | <b>(1,212,203)</b>                              | <b>(819,289)</b>   |
| <b>Total equity</b>  |      | <b>(1,212,203)</b>                              | <b>(819,289)</b>   |
| <b>Non-current liabilities</b>                                   |      |   |  |
| Loans and borrowings   | 15   | -   | 46,645,351   |
| Security deposits  |      | -   | 724,000  |
| Maintenance reserves   |      | -   | 8,156,775  |
| <b>Total non-current liabilities</b>                             |      | <b>-</b>  | <b>55,526,126</b>  |
| <b>Current liabilities</b>                                       |      |   |  |
| Loans and borrowings   | 15   | 46,645,351                                      | 1,240,348  |
| Trade and other payables   | 16   | 725,562   | 738,390  |
| <b>Current liabilities classified as held for sale</b>           |      |   |  |
| Security deposits  | 17   | 724,000   | -  |
| Maintenance reserves   | 18   | 10,753,011                                      | -  |
| <b>Total current liabilities</b>                                 |      | <b>58,847,924</b>                               | <b>1,978,738</b>   |
| <b>Total liabilities</b>   |      | <b>58,847,924</b>                               | <b>57,504,864</b>  |
| <b>Total equity and liabilities</b>                              |      | <b>57,635,721</b>                               | <b>56,685,575</b>  |

The accompanying notes approved on behalf of the Board on pages 12 - 21 form an integral part of these financial statements.

Approved on behalf of the Board by:



Mel Kiernan  
Director

Date: 02 April 2026



Patrick Kenny  
Director

Date: 02 April 2026

**BTL AVIATION CO LIMITED**

**STATEMENT OF CHANGES IN EQUITY**  
as at 31 December 2025

|   | Note | Share Capital<br>USD | Retained Earnings<br>USD | Total Equity<br>USD |
|---|------|----------------------|--------------------------|---------------------|
| <b>Balance at 1 January 2025</b>                | 19   | 50,000               | (869,289)                | (819,289)           |
| Issue of ordinary shares                        |      | -                    | -                        | -                   |
| Total comprehensive loss for the financial year |      | -                    | (392,914)                | (392,914)           |
| <b>Balance at 31 December 2025</b>              |      | <u>50,000</u>        | <u>(1,262,203)</u>       | <u>(1,212,203)</u>  |

|   | Note | Share Capital<br>USD | Retained Earnings<br>USD | Total Equity<br>USD |
|---|------|----------------------|--------------------------|---------------------|
| <b>Incorporation on 21 March 2024</b>             |      | -                    | -                        | -                   |
| Issue of ordinary shares                          | 19   | 50,000               | -                        | 50,000              |
| Total comprehensive loss for the financial period |      | -                    | (869,289)                | (869,289)           |
| <b>Balance at 31 December 2024</b>                |      | <u>50,000</u>        | <u>(869,289)</u>         | <u>(819,289)</u>    |

All equity is attributable to the holders of the ordinary shares of the Company.

The accompanying notes approved on behalf of the Board on pages 12 - 21 form an integral part of these financial statements.

**BTL AVIATION CO LIMITED**

**STATEMENT OF CASHFLOWS**  
for the financial period ended 31 December 2025

|   |      | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|---|------|--|---|
|   | Note | USD                                      | USD   |
| <b>Cash flows from operating activities</b>                               |      |  |   |
| Loss before tax   |      | (568,320)                                | (869,289)   |
| Finance expense   | 7    | 2,863,982                                | 2,282,025   |
| Amortisation of capitalised cost  | 5    | 54,011                                   | 39,414  |
| Depreciation and impairment of aircraft                                   | 10   | 1,380,778                                | 1,249,275   |
| Reversal of capitalised cost  |      | 441,276                                  | -   |
| Income tax charge   | 9    | (8,590)                                  | -   |
| Interest paid on borrowings from parent company                           |      | <u>(2,903,298)</u>                       | <u>(2,090,822)</u>  |
|   |      | 1,259,839                                | 610,603   |
| Decrease/(increase) in trade and other receivables                        | 13   | 128,883                                  | (130,570)   |
| Increase in other payables  | 16   | <u>26,489</u>                            | <u>47,186</u>   |
| <b>Net cash generated from operating activities</b>                       |      | <u><b>1,415,211</b></u>                  | <u><b>527,219</b></u>   |
| <b>Cash flows from investing activities</b>                               |      |  |   |
| Maintenance reserve received  |      | 2,596,234                                | 2,060,497   |
| Capitalised expenditure   |      | -  | <u>(534,700)</u>  |
| <b>Cash flows generated from/(used in) investing activities</b>           |      | <u><b>2,596,234</b></u>                  | <u><b>1,525,797</b></u>                                       |
| <b>Cash flows from financing activities</b>                               |      |  |   |
| Proceeds from borrowings from parent company                              |      | -  | 639,309   |
| Issue of share capital  | 19   | -  | 50,000  |
| Principal paid on borrowings from parent company                          | 15   | <u>(1,240,348)</u>                       | <u>(514,301)</u>  |
| <b>Cash flows used in financing activities</b>                            |      | <u><b>(1,240,348)</b></u>                | <u><b>175,008</b></u>   |
| <b>Net increase in cash and cash equivalents</b>                          |      | 2,771,097                                | 2,228,024   |
| <b>Cash and cash equivalents at the beginning of the financial period</b> |      | 2,228,024                                | -   |
| <b>Cash and cash equivalents at the end of the financial period</b>       |      | <u><u><b>4,999,121</b></u></u>           | <u><u><b>2,228,024</b></u></u>                                |

The accompanying notes approved on behalf of the Board on pages 12 - 21 form an integral part of these financial statements.

**BTL AVIATION CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**1 CORPORATE INFORMATION**

The Company is incorporated and domiciled in the Republic of Ireland. The address of the Company's registered office is 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1 and company number 760336. The Company was incorporated on 21 March 2024 as a private company limited by shares.

The Company is a wholly owned subsidiary of MUFG Finance and Leasing Co.Ltd, a company incorporated in Japan.

Apex IFS Limited acts as Secretary and corporate administrator to the Company in accordance with the terms of the service agreements made with the Company.

**2 SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and International Financial Reporting Interpretation Committee (IFRIC) interpretations as adopted by the EU (together "IFRS") and have been prepared in accordance with the Companies Act 2014.

The financial statements have been prepared under the historical cost convention. The Company adopted the going concern basis in preparing the financial statements.

The accounting policies set out below have, unless otherwise stated, been applied to all periods presented in these financial statements.

**GOING CONCERN**

The Directors noted that the Company incurred a loss before tax of USD 568,320 (2024: USD869,289) for the financial period under review. The Company's ability to operate as a going concern is currently dependent upon continued financial support from the Parent Company. The Company has received a letter of support from the Parent Company confirming that the Parent Company will continue to support the Company for a period of at least 12 months from the date of approval of the financial statements, so as to enable the Company to carry on its normal business without any significant curtailment to operations. The key assumptions and considerations identified as underpinning the Parent Company's ability to support the Company over the next 12 months include its liquidity to make available sufficient cashflow funds to the Company. Based on all available information at present, the Directors believe that the Parent Company has sufficient liquidity to provide continued financial support to the Company to meet its commitments as they fall due over the next 12 months. The Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, and on this basis the financial statements are prepared on a going concern basis, and do not include any adjustment that would be necessary if this basis were inappropriate. The Directors do not believe any of the matters considered indicate a material uncertainty relating to the Company's ability to continue as a going concern. Along with letter of support from parent entity, there is a profit expected on sale of aircraft asset which is sufficient to repay intercompany loan, operating expenses and a small profit is left in the company. After the sale of Aircraft asset, the Company may still purchase assets in the future with support from parent entity. In case of no revenue generated by the Company, the operating expenses of the Company will be borne by the Parent Company - MUFG Finance and Leasing Co. Ltd. Taking into consideration the information supplied above, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors are not aware of any circumstances which raise concern over the preparation of the financial statements on a going concern basis.

**ESTIMATES AND JUDGEMENTS**

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of 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 by the Directors on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision only affects that financial period or in the financial period of the revision and future financial periods if the revision affects both current and future financial periods. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the notes to the accounts.

During the financial period, the most significant assumption was on the initial treatment of the Aircraft; either to treat the Aircraft under IAS 16 - Property, Plant and Equipment or IFRS 5 - Non-current assets held for sale and discontinued operations.

The Directors assessed the business strategy of the Company and the above approach under IAS 16 was followed until 30 September 2025. As the intention of the management changed and their plan is to sell the aircraft asset, from 1 October 2025 onwards the aircraft asset is classified as asset held for sale under IFRS 5 and the entity stopped depreciating the aircraft asset from this date.

The criteria for IFRS 5 is as follows:

- management is committed to a plan to sell;
- the asset is available for immediate sale;
- an active programme to locate a buyer is initiated;
- the sale is highly probable, within 12 months of classification as held for sale (subject to limited exceptions); and
- the asset is being actively marketed for sale at a sales price reasonable in relation to its fair value.

The Directors concluded that the Aircraft does meet the above criteria, therefore, at the year end, in accordance with IFRS 5.15, the assets is measured at the lower of their carrying amount and fair value less costs to sell and no impairments noted.

**BTL AVIATION CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**2 SIGNIFICANT ACCOUNTING POLICIES - continued**

**NEW STANDARDS AND INTERPRETATIONS ADOPTED DURING THE FINANCIAL PERIOD**

a) Effective for annual periods beginning after 1 January 2025

| Standard | Title of Standard or Interpretation            |
|----------|--|
| IAS 21   | Lack of exchangeability (Amendments to IAS 21) |

b) Standards not yet effective, available for early adoption

| Standard                               | Title of Standard or Interpretation   | Effective date |
|--|---|----------------|
| IFRS 9 and IFRS 7                      | Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) | 1 January 2026 |
| IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7 | Annual Improvements to IFRS Accounting Standards – Volume 11  | 1 January 2026 |
| IFRS 9, IFRS 7                         | Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)                        | 1 January 2026 |
| IFRS 18                                | Presentation and Disclosure in Financial Statements   | 1 January 2027 |
| IFRS 19                                | Subsidiaries without Public Accountability: Disclosures   | 1 January 2027 |

**AIRCRAFT RELATED COMPONENTS**

Aircraft that management intends to hold and lease are stated at cost, less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset, including any cost attributable to bringing the asset to a working condition for intended use. Depreciation is calculated on a straight line basis over the asset's useful life to the estimated residual value.

The aircraft asset is depreciated on a straight line basis, after taking into account the residual value of the assets, over the expected useful life of 9 years. The asset's residual value, useful life, and depreciation method is reviewed and adjusted if appropriate at each financial period end.

Estimated residual values based on contractual return conditions of the aircraft are reviewed at each reporting date. This review includes the expected maintenance condition of the asset and any excess maintenance reserves expected to be available on maturity of the lease. Where estimated residual values are found to have changed significantly, this is recorded prospectively and depreciation charges over the remaining useful life are adjusted to take account of the revised estimate.

An impairment review involves consideration as to whether the carrying value of an aircraft is not recoverable and in these circumstances a loss is recognised as a write down of the carrying value to the higher of its value in use and fair value less cost of disposal. Value in use is calculated as the present value of the future cash flows to be derived from the operation of the asset. Future cash flows are discounted using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset. Fair value is based on independent appraisers or management's view where supporting transaction data exists.

An asset should be de-recognised from the statement of financial position on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss on disposal is the difference between the proceeds and the carrying amount and should be recognised in profit and loss.

**Lease component assets and liabilities**

Aircraft acquired on lease are assessed for the existence of lease component assets and liabilities which are considered to be separate components of aircraft assets. To the extent that lease payments are off-market, they are recognised as either lease component assets or liabilities which are amortised over the remaining lease term.

Lease component asset represents the value of an acquired non short term lease where the contractual rental payments are above the market lease rate at the date of acquisition. This intangible asset is recognised at cost and is amortised on a straight-line basis over the remaining term of the related lease and recorded as amortisation in the Statement of Profit or Loss and Other Comprehensive Income.

When the Company has recorded maintenance right assets with respect to cash paying leases, no amortisation is recorded during the remaining term of the lease and one (or combination) of the following possibilities occur at lease end (i) the aircraft is returned at lease expiry and no qualified major maintenance has been performed by the lessee since the acquisition date, the maintenance right asset is offset by the amount of the associated maintenance payment liability and any excess liability is recorded as end of lease income; or (ii) the Company has already reimbursed the lessee for the performance of certain qualified major maintenance. Maintenance liabilities that have not been reimbursed to the lessee are applied in the first instance to the maintenance right asset and the balance of such asset is reclassified as an aircraft improvement. Any aircraft improvements recognised are depreciated over the remaining useful economic life of the aircraft.

When aircraft are sold, maintenance return intangible assets are released from the Statement of Financial Position as part of the gain or loss on disposal.

**Maintenance component assets**

Maintenance component asset represents the value in the difference between the contractual right under the acquired leases (excluding short term) to receive the aircraft in a specified maintenance condition at the end of the lease and the actual physical condition of the aircraft at the date of acquisition. The maintenance component asset is not depreciated, but capitalised to the operating lease asset at the end of the lease.

The above criteria were followed until 30 September 2025. As the intention of the management changed and their plan is to sell the aircraft asset, from 1 October 2025 onwards the aircraft asset is classified as asset held for sale under IFRS 5 and the entity stopped depreciating the aircraft asset from this date.

Therefore, BTL Aviation shall measure the assets at the lower of their carrying amount and fair value less costs to sell in accordance with IFRS 5.15.

**TRADE AND OTHER PAYABLES**

Trade and other payables are classified as financial liabilities and are subsequently measured at amortised cost.

**TRADE AND OTHER RECEIVABLES**

Trade and other receivables are recognised initially at fair value and are thereafter measured at amortised cost less any provision for impairment. Trade and other receivables are discounted when the time value of money is considered material. IFRS 9 establishes a simplified impairment approach for qualifying trade receivables and allows the entity to recognise a loss allowance based on lifetime expected credit losses at each reporting date.

**BORROWING COSTS**

Borrowing costs directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the year they occur.

**BTL AVIATION CO LIMITED****NOTES TO THE FINANCIAL STATEMENTS****2 SIGNIFICANT ACCOUNTING POLICIES - continued****FINANCIAL INSTRUMENTS**

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Company has used consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the Statement of Profit or Loss and Other Comprehensive Income. Previously, the Company's approach was to include the impairment of trade receivables in other expenses. Impairment losses on other financial assets are presented under 'finance costs', similar to the presentation under IAS 39, and not presented separately in the Statement of Profit or Loss and Other Comprehensive Income due to materiality considerations. Additionally, the Company has adopted consequential amendments to IFRS 7 Financial Instruments.

The Company has used methods in its classification and measurement of its financial assets relevant to IFRS 9. Under IFRS 9, on initial recognition, there are three classifications of financial assets: Amortised Cost, Fair Value through other comprehensive income (FVOCI) for a debt instrument or equity investment and Fair Value through profit and loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The Company's relevant financial assets are classified at amortised cost with the expected credit losses.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL if it is held within a business model whose objective is to hold assets to collect contractual cashflows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The financial assets at amortised cost consist of trade receivables.

Under IFRS 9, loss allowances are measured on three approaches to impairment namely general approach, simplified approach and specific approach. In accordance with the simplified approach, the Company has elected to measure loss allowances for trade receivables at an amount equal to life time ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating 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. Lifetime losses are estimated by comparing the outstanding receivables at year-end, with post year-end expected collections after discounting market discount rate. Any deficit is 100% provided for as an estimate of lifetime losses. The carrying amount of the asset shall be reduced directly. The amount of the loss shall be recognised in the Statement of Profit or Loss and Other Comprehensive Income.

**CURRENT LIABILITIES CLASSIFIED AS HELD FOR SALE****Maintenance Reserves**

Under certain lease contracts the lessee has the obligation to pay for maintenance costs on airframes, engines and other major life-limited components which arise during the term of the lease and the lessee makes a payment of supplemental rent to cover the anticipated maintenance cost. Supplemental rent is not recognised as revenue, but as an accrued liability. In these contracts, upon lessee's presentation of invoices evidencing the completion of qualifying maintenance on the aircraft, the Company reimburses the lessee for the maintenance up to a maximum of the supplemental rent received in respect of the lease contract.

Any surplus amounts of accrued maintenance liability existing on termination of a lease are recorded as income at that time. In any lease contracts not requiring the payment of supplemental rent, the lessee is required to re-deliver the aircraft in a similar maintenance condition (normal wear and tear excepted) as when accepted under the lease, with reference to major life-limited components of the aircraft. To the extent that such components are redelivered in a different condition than at acceptance, there is normally an end-of-lease compensation adjustment for the difference at redeliver.

**Security Deposit**

Where stated in the terms of the lease agreement, the lessee shall pay a deposit on or prior to the delivery date. Security deposits received are recorded in the Statement of Financial Position as liabilities (current or non-current) on the basis that they are refundable at the end of the lease period.

**REVENUE****Operating Lease**

Leases are accounted for and classified in accordance with IFRS 16 Leases. Leases where the lessor retains substantially all the risks and rewards of ownership, are classified as operating leases. Operating lease income is recognised as operating lease revenue in the Statement of Profit or Loss and Comprehensive Income on a straight line basis over the lease term.

If the Company's lease contracts require payment in advance, rentals received, but unearned under these lease agreements, are recorded as operating lease income prepaid in liabilities in the Statement of Financial Position.

**FINANCE INCOME AND EXPENSE**

Finance income and expense is recognised on an accruals basis by reference to the principal outstanding and at the effective interest rate applicable.

**FUNCTIONAL AND PRESENTATION CURRENCY**

These financial statements are presented in USD which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the Company operates. Foreign currency transactions are translated to the Company's functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing at the Statement of Financial Position date. Foreign currency differences on these are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

**TAXATION**

The Company is subject to taxation on profits at the standard rate of Irish corporation tax, which was 12.5% for the financial period ended 31 December 2025.

Current tax, including Irish corporation tax and foreign taxes, is provided on the Company's taxable profits, at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the end of the reporting year.

**BTL AVIATION CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**2 SIGNIFICANT ACCOUNTING POLICIES - continued**

**TAXATION - CONTINUED**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred at the reporting date, with the following exceptions:

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the reporting date.

**FOREIGN CURRENCIES**

The financial statements are presented in USD which is the Company's functional and presentation currency. The Directors of the Company believe that USD most faithfully represents the economic effects of the underlying transactions, events and conditions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the reporting date and revenues, costs and non monetary assets denominated in foreign currencies are translated at the exchange rates ruling at the transaction date.

Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the Statement of Comprehensive Income.

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents is comprised of cash, held with banks, which is used by the Company in the management of its short term commitments. Cash and cash equivalents are measured at cost.

**INTEREST RECEIVABLE AND INTEREST PAYABLE**

Interest receivable and payable are measured at cost and recognised as they are earned or accrued.

**LOANS AND BORROWINGS**

Loans and borrowings are initially recognised at transaction price. Loans and borrowings are subsequently stated at amortised cost over the term of the related loan.

**3 DIRECTORS AND EMPLOYEES**

The Directors received no remuneration for the financial period ended 31 December 2025. The Company did not capitalise any employee costs during the period.

The Company has no employees and the Directors who are also employees of Apex received no remuneration during the financial period. The terms of the corporate service agreement provide for a single fee for the provision of corporate services (including making available of individuals to act as Directors of the Company). As a result, the allocation of fees between the different services provided is subjective and not an approximate calculation. The individuals acting as Directors do not (and will not), in their personal capacity or any other capacity, receive any fee for acting or having acted as Directors of the Company.

**4 OPERATING LEASE INCOME**

|                                      | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|--------------------------------------|--|---|
|                                      | USD                                      | USD   |
| Operating lease income               | 4,344,000                                | 2,896,000   |
| <b>TOTAL OPERATING LEASE REVENUE</b> | <b>4,344,000</b>                         | <b>2,896,000</b>  |

The Company had one customer, TUI Travel Aviation Finance Limited during the financial period which accounted for 100% of its lease revenue. All income derives from the United Kingdom. During the financial period ended 31 December 2025, lease rental income consisted of operating lease income of USD 4,344,000 (2024: USD 2,896,000).

The future minimum lease rental receivable is as follows:

|   | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|---|--|---|
|   | USD                                      | USD   |
| Not later than one year                           | 1,448,000                                | 4,344,000   |
| Later than one year and not later than five years | -  | 17,376,000  |
| Later than five years                             | -  | 13,840,368  |
|   | <b>1,448,000</b>                         | <b>35,560,368</b>   |

**5 Administrative expenses**

|                                      | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|--------------------------------------|--|---|
|                                      | USD                                      | USD   |
| Depreciation of Aircraft Asset       | 1,380,778                                | 1,249,276   |
| Amortisation of capitalised cost     | 54,011                                   | 39,414  |
| Audit fees                           | 38,636                                   | 11,298  |
| Management fees                      | 86,880                                   | 58,403  |
| Corporate administration fees        | 18,611                                   | 14,254  |
| Tax fees                             | 41,530                                   | 19,121  |
| Legal fees                           | -  | 15,299  |
| Foreign exchange differences         | (15,596)                                 | 3,497   |
| Bank charges                         | 993                                      | 573   |
| Other expenses                       | 35,577                                   | 72,157  |
| Reversal of capitalised cost         | 441,276                                  | -   |
| <b>TOTAL ADMINISTRATIVE EXPENSES</b> | <b>2,082,696</b>                         | <b>1,483,292</b>  |

## BTL AVIATION CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## 6 FINANCE INCOME

|                             | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|-----------------------------|--|---|
|                             | USD                                      | USD   |
| Interest on bank accounts   | 34,358                                   | 28  |
| <b>TOTAL FINANCE INCOME</b> | <b>34,358</b>                            | <b>28</b>   |

## 7 FINANCE EXPENSE

|                                       | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|---------------------------------------|--|---|
|                                       | USD                                      | USD   |
| Interest expense on intercompany loan | 2,863,982                                | 2,282,025   |
| <b>TOTAL FINANCE EXPENSE</b>          | <b>2,863,982</b>                         | <b>2,282,025</b>  |

## 8 STATUTORY AND OTHER INFORMATION

The profit before taxation is arrived at after charging:

|   | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|---|--|---|
|   | USD                                      | USD   |
| Directors' emoluments   | -  | -   |
| Auditor's remuneration for work carried out for the Company in respect of the financial period: |  |   |
| Audit of the individual Company accounts  | 38,636                                   | 11,298  |
| Tax advisory services   | 41,530                                   | 19,121  |
| <b>Total</b>  | <b>80,166</b>                            | <b>30,419</b>   |

The above amounts are exclusive of VAT.

## 9 TAX CHARGE

|   | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|---|--|---|
|   | USD                                      | USD   |
| <b>A) Analysis of tax charge for the financial period</b> |  |   |
| Current tax   | 8,590                                    | -   |
| Deferred tax  | (183,996)                                | -   |
| <b>Total tax charge</b>                                   | <b>(175,406)</b>                         | <b>-</b>  |

**B) Factors affecting total tax charge for the financial period**

The reconciliation of total tax on profit on ordinary activities at the relevant rate of Irish corporation tax to the actual total tax charge is analysed as follows:

|  | Financial year ended<br>31 December 2025 | Financial period from<br>21 March 2024 to 31<br>December 2024 |
|--|--|---|
|  | USD                                      | USD   |
| Loss on ordinary activities before tax   | (568,320)                                | (869,289)   |
| Tax on loss on ordinary activities at standard Irish corporation tax rate of 12.5% | (71,040)                                 | -   |
| <b>Effects of:</b>   |  |   |
| Income subject to tax at different rates   | 8,590                                    | -   |
| Losses carried forward   | (1,338,307)                              | -   |
| Capital allowances in excess of depreciation                                       | 1,154,311                                | -   |
| <b>Total tax charge</b>  | <b>(175,406)</b>                         | <b>-</b>  |

The total tax charge in future periods will be affected by any changes to corporation tax rates in force in Republic of Ireland.

BTL AVIATION CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

10 AIRCRAFT AND RELATED COMPONENTS

|  | AIRCRAFT METAL | LEASE INTANGIBLE | AIRCRAFT AND RELATED COMPONENTS |
|--|----------------|------------------|---------------------------------|
|  | USD            | USD              | USD                             |
| <i>Cost</i>                              |                |                  |                                 |
| As at 01 January 2025                    | 54,207,045     | 873,924          | 55,080,969                      |
| Transfer to held for sale                | (54,207,045)   | (873,924)        | (55,080,969)                    |
| <b>As at 31 December 2025</b>            | <b>-</b>       | <b>-</b>         | <b>-</b>                        |
| <i>Depreciation</i>                      |                |                  |                                 |
| As at 01 January 2025                    | (1,182,549)    | (66,726)         | (1,249,275)                     |
| Depreciation during the financial period | (1,307,028)    | (73,750)         | (1,380,778)                     |
| Impairment charged during the period     | -              | -                | -                               |
| Transfer to held for sale                | 2,489,577.00   | 140,476.00       | 2,630,053                       |
| <b>As at 31 December 2025</b>            | <b>-</b>       | <b>-</b>         | <b>-</b>                        |
| <b>Net book value</b>                    | <b>-</b>       | <b>-</b>         | <b>-</b>                        |

|  | AIRCRAFT METAL     | LEASE INTANGIBLE | AIRCRAFT AND RELATED COMPONENTS |
|--|--------------------|------------------|---------------------------------|
|  | USD                | USD              | USD                             |
| <i>Cost</i>                              |                    |                  |                                 |
| As at 21 March 2024                      | -                  | -                | -                               |
| Additions                                | 54,207,045         | 873,924          | 55,080,969                      |
| <b>As at 31 December 2024</b>            | <b>54,207,045</b>  | <b>873,924</b>   | <b>55,080,969</b>               |
| <i>Depreciation</i>                      |                    |                  |                                 |
| As at 21 March 2024                      | -                  | -                | -                               |
| Depreciation during the financial period | (1,182,549)        | (66,726)         | (1,249,275)                     |
| <b>As at 31 December 2024</b>            | <b>(1,182,549)</b> | <b>(66,726)</b>  | <b>(1,249,275)</b>              |
| <b>Net book value</b>                    | <b>53,024,496</b>  | <b>807,198</b>   | <b>53,831,694</b>               |

During the financial period ended 31 December 2025, the Company owned one (1) Boeing Model 737-8 aircraft with manufacturer's serial numbers 44605 (the 'Aircraft'). The Aircraft is currently leased to TUI Travel Aviation Finance Limited (the 'Lessee').

The Company recognises lease intangibles in relation to the acquisition of aircraft that was purchased on lease. This intangible is accounted for as a separate component of aircraft and related components.

The aircraft's carrying amount, until 30 September 2025, was compared to the higher of value in use and fair value less costs to sell. As a result of the test, no impairment charge was recognised at 30 September 2025 and depreciation also was only recognised for nine months.

From 01 October 2025 until the year end 30 December 2025, BTL shall measure the assets at the lower of their carrying amount and fair value less costs to sell in accordance with IFRS 5.15.

The Directors are satisfied that the net book value of the aircraft is appropriate.

## BTL AVIATION CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## 11 AIRCRAFT HELD FOR SALE

|                                     | 2025<br>USD       | 2024<br>USD |
|-------------------------------------|-------------------|-------------|
| Aircraft held for sale              | 52,450,915        | -           |
| <b>Total Aircraft held for sale</b> | <b>52,450,915</b> | <b>-</b>    |

IAS 16 was followed until 30 September 2025. As the intention of the management changed and their plan is to sell the aircraft asset, from 01 October 2025 onwards the aircraft asset is classified as asset held for sale under IFRS 5 and the entity stopped depreciating the aircraft asset from this date.

## 12 CAPITALISED COST

|  | 31 December 2025<br>USD | 31 December 2024<br>USD |
|--|-------------------------|-------------------------|
| Legal fee  | -                       | 138,616                 |
| SNT agreement fee  | -                       | 18,696                  |
| Deucalion fee  | -                       | 285,061                 |
| Insurance premium to TUI Travel Aviation Finance Limited | -                       | 52,914                  |
| <b>TOTAL CAPITALISED COST</b>                            | <b>-</b>                | <b>495,287</b>          |

Costs incurred and directly attributable to the acquisition of the aircraft are capitalised and amortised over the life of the aircraft in line with IAS 23. Given the intention is to sell the aircraft asset, therefore from 1 October 2025 the asset is classified as held for sale and the balance of capitalised costs as at 1 October 2025 were expensed to P&L.

## 13 TRADE AND OTHER RECEIVABLES

|  | 31 December 2025<br>USD | 31 December 2024<br>USD |
|--|-------------------------|-------------------------|
| VAT refund receivable                    | 1,689                   | 93,444                  |
| Prepayment                               | -                       | 37,126                  |
| <b>TOTAL TRADE AND OTHER RECEIVABLES</b> | <b>1,689</b>            | <b>130,570</b>          |

## 14 CASH AND CASH EQUIVALENT

|                                       | 31 December 2025<br>USD | 31 December 2024<br>USD |
|---------------------------------------|-------------------------|-------------------------|
| Cash held at bank                     | 4,999,121               | 2,228,024               |
| <b>TOTAL CASH AND CASH EQUIVALENT</b> | <b>4,999,121</b>        | <b>2,228,024</b>        |

## 15 LOANS AND BORROWINGS

|                                   | 31 December 2025<br>USD | 31 December 2024<br>USD |
|-----------------------------------|-------------------------|-------------------------|
| <b>Opening Balance</b>            | 47,885,699              | 48,400,000              |
| Repayments made during the period | (1,240,348)             | (514,301)               |
| <b>Closing balance</b>            | <b>46,645,351</b>       | <b>47,885,699</b>       |

On 24 April 2024, the Company entered into an intercompany loan agreement with its Parent Company, MUFG Finance and Leasing Co.Ltd. As part of the intercompany agreement, the Company requested MUFG Finance and Leasing Co.Ltd for administration services regarding the Company's business of purchase of aircraft, leasing of aircraft and the business incidental thereto or in connection therewith. The intercompany loan is on a limited recourse basis, meaning that the loan repayment to the Parent Company by the Company is limited to the Company's available assets. The loan maturity was originally on 24 April 2025 and has been extended to 24 April 2026. The loan initially bears interest of 1 Month Term SOFR as of 24 April 2024 + Margin of 1.53% and following extension 1 Month Term SOFR as of 22 April 2025 + Margin of 1.25% per annum.

**Maturity Analysis**

|                     | USD               | USD               |
|---------------------|-------------------|-------------------|
| Due within one year | 46,645,351        | 1,240,348         |
| Due after one year  | -                 | 46,645,351        |
| <b>Total</b>        | <b>46,645,351</b> | <b>47,885,699</b> |

## 16 TRADE AND OTHER PAYABLES

|  | 31 December 2025<br>USD | 31 December 2024<br>USD |
|--|-------------------------|-------------------------|
| Operational expenses payable             | 62,216                  | 47,186                  |
| Amount payable to parent company         | 500,000                 | 500,000                 |
| Interest payable on intercompany balance | 151,889                 | 191,204                 |
| Other payable                            | 2,867                   | -                       |
| Corporation tax payable                  | 8,590                   | -                       |
| <b>TOTAL TRADE AND OTHER PAYABLES</b>    | <b>725,562</b>          | <b>738,390</b>          |

The amount payable to the Parent Company relates to security deposit payable to MUFG Finance and Leasing Co.Ltd.

## 17 SECURITY DEPOSITS

|                                | 31 December 2025<br>USD | 31 December 2024<br>USD |
|--------------------------------|-------------------------|-------------------------|
| Security deposits              | 724,000                 | 724,000                 |
| <b>TOTAL SECURITY DEPOSITS</b> | <b>724,000</b>          | <b>724,000</b>          |

The security deposit represents a deposit received from the aircraft lessee.

**BTL AVIATION CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**18 MAINTENANCE RESERVE**

|                                  | <b>31 December 2025<br/>USD</b> | <b>31 December 2024<br/>USD</b> |
|----------------------------------|---------------------------------|---------------------------------|
| Maintenance reserve              | 10,753,011                      | 8,156,775                       |
| <b>TOTAL MAINTENANCE RESERVE</b> | <b><u>10,753,011</u></b>        | <b><u>8,156,775</u></b>         |

**19 SHARE CAPITAL PRESENTED AS EQUITY**

|   | <b>31 December 2025<br/>USD</b> | <b>31 December 2024<br/>USD</b> |
|---|---------------------------------|---------------------------------|
| <b>Authorised share capital</b>         |                                 |                                 |
| 50,000 Ordinary shares of \$1 each      | 50,000                          | 50,000                          |
| <b>Issued and paid-up Share capital</b> |                                 |                                 |
| 50,000 Ordinary share of \$1 each       | 50,000                          | 50,000                          |
| <b>TOTAL PAID SHARE CAPITAL</b>         | <b><u>50,000</u></b>            | <b><u>50,000</u></b>            |

During the financial period ended 31 December 2024, the Company issued 50,000 ordinary shares at \$1 each.

The Company manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the Company consists of loans and borrowings and equity of the Company comprising issued share capital and retained earnings. The Company is not exposed to any externally imposed capital or gearing requirements.

**20 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

The Company has no capital commitments or contingent liabilities at 31 December 2025.

**21 OWNERSHIP OF THE COMPANY**

The Company is 100% subsidiary of MUFG Finance and Leasing Co.Ltd (previously named as BOT Lease Co. Ltd), a company incorporated in Japan. MUFG Finance and Leasing Co.Ltd includes the Company in its consolidated financial statements. The consolidated financial statements of MUFG Finance and Leasing Co.Ltd are prepared in accordance with the generally accepted accounting principles adopted in Japan and can be obtained from MUFG Finance and Leasing Co.Ltd - Tokyo Sumitomo Twin Building East, 27-1, Shinkawa, Chuo-ku Tokyo 104-0033, Japan.

MUFG Finance and Leasing Co.Ltd is mainly owned by MUFG Financial Group.

No dividends were paid during the financial period or proposed by the Directors at the reporting date.

**22 RELATED PARTY TRANSACTIONS**

**Transactions with Administrator and Directors**

Apex IFS Limited (the "Administrator") provides services such as accounting and reporting, company secretarial and other administration services to the Company. In respect of the aforementioned services, BTL Aviation Limited paid fees amounting to USD 18,611 (2024: USD 14,254) to Apex IFS Limited during the financial year ended 31 December 2025.

The Directors of the Company, Mel Kiernan and Patrick Kenny are also employees of Apex. The Directors received no direct remuneration for acting as Directors of the Company during the year, however in accordance with Sections 305A and 306 of the Companies Act 2014, the consideration paid to Apex that relates to the provision of director services was USD Nil for the financial year ended 31 December 2025.

Hisanori Kamachi resigned as a Director on 26 January 2026.

Tomoki Muto was appointed as a Director of the Company on 26 January 2026 and is an employee of MUFG Finance and Leasing Co.Ltd.

Apex provides corporate administration services to the Company at arm's length commercial rates. The terms of the agreement with Apex will provide for a single fee for the provision of 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 to be provided is a subjective and approximate calculation. The individuals acting as directors will not in their personal capacity or any other capacity, receive any fee for acting or having acted as directors of the Company.

Directors of the Company, who are also employees of the MUFG Finance and Leasing Co.Ltd, do not receive any additional remuneration for their role as Director of the Company.

On 24 April 2024, the Company entered into an intercompany loan agreement with its Parent Company, MUFG Finance and Leasing Co.Ltd. As part of the intercompany agreement, the Company requested MUFG Finance and Leasing Co.Ltd for administration services regarding the Company's business of purchase of aircraft, leasing of aircraft and the business incidental thereto or in connection therewith. The intercompany loan is on a limited recourse basis, meaning that the loan repayment to the Parent Company by the Company is limited to the Company's available assets. During the financial year, the Company received an amount of USD Nil (2024: USD 48,400,000) from the intercompany loan agreement. During the FY 2025 principal payment of USD 1,240,348 (2024: USD 514,300) and interest payment of USD 2,903,298 (2024: USD 2,090,821) make to the Parent Company. At the end of the financial period, USD 46,645,351 (2024: USD 47,885,700) was payable to the Parent Company.

The Company appointed MUFG F&L Solutions Co. Ltd (previously named as Shin-Nihombashi Tsusho Co. Ltd ('SNT') until 30 September 2025) to act as an intermediary for the execution of the aircraft sale and purchase agreement, the aircraft lease agreement and the lease transfer agreement. During the financial year, MUFG F&L Solutions Co. Ltd charged the Company USD Nil (2024: USD 20,000). At the financial year end, no amount was due to MUFG F&L Solutions Co. Ltd. MUFG F&L Solutions Co. Ltd is a company incorporated under the laws of Japan and is a 100% subsidiary of the Parent Company.

**BTL AVIATION CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**23 FINANCIAL RISK MANAGEMENT**

The Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

Risk management processes incorporate the regular and continuing analysis of trading operations and performance and the monitoring of capital adequacy and asset valuations. This note seeks to further describe the key business and financial instrument risks faced by the Company and the policies and procedures used to mitigate these risks.

The Company's financial instruments comprise borrowings in the form of loans from its Parent.

The Company's activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most significant types of financial risk to which the Company is exposed are credit risk, interest rate, currency risk and liquidity risk.

The nature and extent of the financial instruments outstanding at the balance sheet date and the risk management policies employed by the Company are discussed below.

**(i) Credit risk**

The Company leases aircraft on an operating lease and bears i) the asset deterioration risk in the underlying value of the aircraft and ii) the credit risk of the lessee during the life of the lease. The Directors look to mitigate these risks by collecting maintenance reserves and/or security deposits where appropriate and, where possible, either extending the lease term on the aircraft or remarketing the aircraft.

The carrying amount of financial assets represents the Company's maximum credit exposure as follows:

|                             | <b>As at 31 December 2025<br/>USD</b> | <b>As at 31 December 2024<br/>USD</b> |
|-----------------------------|---------------------------------------|---------------------------------------|
| Cash and cash equivalents   | <u>4,999,121</u>                      | <u>2,228,024</u>                      |
|                             | <b><u>4,999,121</u></b>               | <b><u>2,228,024</u></b>               |
|                             | <b>As at 31 December 2025<br/>USD</b> | <b>As at 31 December 2024<br/>USD</b> |
| Trade and Other Receivables | <u>1,689</u>                          | <u>130,570</u>                        |
|                             | <b><u>1,689</u></b>                   | <b><u>130,570</u></b>                 |

**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company receives rental income under the lease which is primarily used to settle the obligations of the Company's contractual cash flows under the loan agreements. The Parent Company agreed to support the Company in case of any leakage of fund.

The table below classifies the Group's financial liabilities into relevant maturities based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

**As at 31 December 2025**

| <b>Financial Liabilities</b> | <b>&lt; 1 year<br/>USD</b> | <b>1 - 2 years<br/>USD</b> | <b>2 - 5 years<br/>USD</b> | <b>&gt; than 5 years<br/>USD</b> | <b>Total<br/>USD</b>     |
|------------------------------|----------------------------|----------------------------|----------------------------|----------------------------------|--------------------------|
| Loans & Borrowings           | 47,615,465                 | -                          | -                          | -                                | <b>47,615,465.00</b>     |
| Trade and other payables     | <u>565,083</u>             | <u>-</u>                   | <u>-</u>                   | <u>-</u>                         | <b><u>565,083.00</u></b> |
| <b>Total</b>                 | <b><u>48,180,548</u></b>   | <b><u>-</u></b>            | <b><u>-</u></b>            | <b><u>-</u></b>                  | <b><u>48,180,548</u></b> |

**As at 31 December 2024**

| <b>Financial Liabilities</b> | <b>&lt; 1 year<br/>USD</b> | <b>1 - 2 years<br/>USD</b> | <b>2 - 5 years<br/>USD</b> | <b>&gt; than 5 years<br/>USD</b> | <b>Total<br/>USD</b>     |
|------------------------------|----------------------------|----------------------------|----------------------------|----------------------------------|--------------------------|
| Loans & Borrowings           | 51,759,112                 | -                          | -                          | -                                | <b>51,759,112.00</b>     |
| Trade and other payables     | <u>547,186</u>             | <u>-</u>                   | <u>-</u>                   | <u>-</u>                         | <b><u>547,186.00</u></b> |
| <b>Total</b>                 | <b><u>52,306,298</u></b>   | <b><u>-</u></b>            | <b><u>-</u></b>            | <b><u>-</u></b>                  | <b><u>52,306,298</u></b> |

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and securities prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

**(iii) Interest rate risk**

Interest rate risk is the risk (variability in value) borne by an asset or liability, such as a loan or a bond, due to variability of interest rates.

The Company borne a fixed interest intercompany borrowing from the Parent Company. The Company is not exposed to interest rate risk since income from operating lease is matched to interest rates and repayment terms of the loan.

**BTL AVIATION CO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**23 FINANCIAL RISK MANAGEMENT - continued**

**(iv) Currency risk**

Both the rental income under the operating lease and interest expense are denominated in USD. Also the Company considers its functional currency and therefore its reporting currency to be USD, and this is the currency of the primary economic environment in which the entity operates.

**24 EVENTS AFTER THE REPORTING PERIOD**

On 27 January 2026 the Company signed a Letter of Intent to sell the aircraft asset. On 31 March 2026 the Directors signed the Aircraft Sale and Purchase Agreement to complete the sale of the Aircraft.

**25 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Board of Directors on 02 April 2026.