

Company Registration No: 636766

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

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APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS:

Ta Quang Ngoc (Vietnamese)
Donal Boylan (Irish)

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 AUDITORS:

Grant Thornton
13-18 City Quay
Dublin 2, D02 ED70
Ireland

SOLICITOR:

Matheson
70 Sir John Rogerson Quay
Docklands
Dublin 2
Ireland
D02 R296

CORPORATE ADMINISTRATOR:

Apex IFS Limited
2nd Floor, Block 5 Irish Life Centre
Abbey Street Lower
Dublin D01 P767
Ireland

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

DIRECTORS' REPORT

The Directors present their first annual Directors' report together with the audited financial statements of Apricot Aircraft Company (Ireland) 8605 Limited for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Company was incorporated on 31 October 2018. The Company is a 100% subsidiary of Vietjet Aviation Joint Stock Company ("Vietjet" or "Parent Company").

The principal activity of the Company is the leasing of commercial aircraft, having acquired one Airbus A321-211 with MSN 8605 in December 2018. The principal shareholder is Vietjet Aviation Joint Stock Company, operating in Vietnam. The smallest and largest group in which the results of the Company are consolidated is that headed by Vietjet Aviation Joint Stock Company. The consolidated financial statements of Vietjet Aviation Joint Stock Company are available to the public. The Directors have no plans to change the activities and operations of the Company for the foreseeable future.

The result for the financial year was a profit before tax of USD 1,398,529 (2022: USD 1,236,028). At the end of the year, the Company has assets of USD 39,391,759 (2022: USD 42,638,079) and liabilities of USD 34,639,957 (2022: USD 39,109,990). The net assets of the Company has increased to USD 4,751,802 (2022: USD 3,528,089).

The Directors are satisfied with the Company's progress and will continue to evaluate new opportunities. The Directors confirm that they have a reasonable expectation that the Company has adequate resources based on projected cash flows to fund its requirements and to continue in operational existence for the foreseeable future, and that the financial statements have been properly prepared on a going concern basis.

KEY PERFORMANCE INDICATORS

The Directors have reviewed the financial performance and have highlighted the below key performance indicators for the financial year:

- The Company made a profit before tax of USD 1,379,289 (2022: USD 1,236,028).
- The Company's turnover amounted to USD 5,370,560 (2022: USD 5,370,560).
- The Company's net assets amounted to USD 4,751,802 (2022: USD 3,528,089).

RESULTS AND DIVIDENDS FOR THE FINANCIAL YEAR

The results for the financial year ended 31 December 2023 are set out in the Statement of Comprehensive Income and Statement of Financial Position on pages 9 and 10. No dividends were declared or paid in respect of the result for the financial year (2022: USD Nil).

CORPORATE ADMINISTRATOR

Apex IFS Limited provides administration and accounting services to the Company at arm's length commercial rates.

GOING CONCERN

The Directors have a reasonable expectation that the Company will continue in operational existence for 12 (twelve) months from the date of approval of the financial statements (the "period of assessment") and have prepared the financial statements on a going concern basis, including:

- the Company's finding and liquidity position;
- cash flow forecasts;
- the Company's debt maturity profile and covenants headroom;
- the ability of the ultimate parent to provide support.

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

ACCOUNTING RECORDS

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to keeping adequate accounting records by employing accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at Apex IFS Limited, 2nd Floor, Block 5 Irish Life Centre, Abbey Street Lower, Dublin D01 P767.

INDEPENDENT AUDITORS

The auditors, Grant Thornton, Chartered Accountants & Statutory Audit firm in accordance with Section 383 (2) of the Companies Act 2014, have indicated their willingness to continue in office as auditors of the Company.

POLITICAL DONATIONS

The Company did not make any political donations during the financial year (2022: USD Nil).

GROUP STRUCTURE

The Company is a wholly owned subsidiary of Vietjet Aviation Joint Stock Company, a company incorporated in Vietnam.

RISK FACTORS

As a lessor, the Directors have identified the asset risk and credit risk of its lessee as the primary risk facing the Company, as it bears the risk of non-performance under its lease by the airline operating the aircraft. The Company is also exposed to liquidity risk and interest rate risk due to the structure of the Company.

Asset and credit risk

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

The Company's financial condition depends, in part, on the financial strength of its lessee, and factors outside of the Company's control may adversely affect its lessee's operations, their ability to meet the obligations to the Company or their demand for the Company's aircraft.

If a decline in demand for the Company's aircraft causes a decline in its projected lease rates then the Company will recognise impairments. Other factors that may contribute to impairment charges include, but are not limited to, potential sale transactions, early terminated leases, or credit events impacting the lessee. If the Company's lessee encounter financial difficulties and the Company restructures or terminates leases, the Company's ability to re-lease aircraft on favourable terms, collect outstanding amounts due to the Company, and repossess aircraft under defaulted leases may be limited and require the Company to incur additional costs and expenses.

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

DIRECTORS' REPORT - continued

RISK FACTORS - continued

Liquidity risk

Liquidity risk is the risk that the Company will encounter in meeting obligations associated with its financial liabilities.

The Company's principal asset is financed by a loan facility agreement. The primary cash outflow of the Company consists of the repayment of this facility. The amount of rental income receivable exceeds the amount of interest and principal payable and in addition, the loan repayment schedule for each transaction is set to fall due in reasonable time after the day of receipt of rental income and therefore there are sufficient cash flows at all times to meet the Company's obligations as they fall due. In the event of customer default, the directors would seek to re-negotiate the terms and conditions attaching to the lease with the relevant parties.

Interest rate risk

Interest rate risk is the risk (variability in value) borne by an interest bearing asset or liability due to variability of interest rates.

The Company's financial liability is interest-bearing and long term. As a result, the Company is subject to exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates. The objective of market interest risk management is to control market interest risk exposures within acceptable parameters, while optimising the return.

DIRECTORS AND SECRETARY

The Directors of the Company are as outlined below. The Directors continue in office in accordance with the Company Constitution.

The Secretary and Directors who served during the period and up to date of this report are as follows:

Name	Appointed	Resigned	Role
Apex IFS Limited (as secretary)	31 October 2018	N/A	Secretary
Ta Quang Ngoc	31 October 2018	N/A	Director
Donal Boylan	1 March 2020	N/A	Director

DIRECTORS, SECRETARY AND THEIR INTEREST

The Directors and Secretary who held office on 31 December 2023 did not hold any shares in the Company or any Group company at that date or at any time during the financial year.

STATEMENT ON RELEVANT AUDIT INFORMATION

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

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

DIRECTORS' COMPLIANCE STATEMENTS

The Company does not meet the requirements to provide a Directors' Compliance statement in line with Section 225(2) of the Companies Act 2014.


AUDIT COMMITTEE

The Company does not meet the requirements to establish an audit committee in line with Section 167 of the Companies Act 2014.

EVENTS AFTER THE REPORTING YEAR

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

Approved by the Board of Directors and signed on behalf of the Board by:



Donal Boylan
Director
23 March 2026



Ta Quang Ngoc
Director
23 March 2026

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Irish Company law requires the Directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Under Irish law the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the company for the financial year.

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

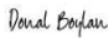
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the EU and note the effect and the reasons for any material departure from these standard and ensure that they contain the additional information required by the Companies Act 2014; and
- assess the Company's ability to continue as going concern, as applicable, matters related to going concern; 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 and Directors' report 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.

Approved by the Board of Directors and signed on behalf of the Board by:



Donal Boylan
Director
23 March 2026



Ta Quang Ngoc
Director
23 March 2026

Independent auditor's report to the members of Apricot Aircraft Company (Ireland) 8605 Limited

Opinion

We have audited the financial statements of Apricot Aircraft Company (Ireland) 8605 Limited the ("Company"), which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows for the financial year ended 31 December 2023 and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and IFRS Accounting Standards as adopted by EU ("IFRS").

In our opinion, Apricot Aircraft Company (Ireland) 8605 Limited's financial statements:

- give a true and fair view of the assets, liabilities, and financial position of the company as at 31 December 2023 and of its profit or loss for the financial year then ended,
- have been properly prepared in accordance with the relevant accounting framework, and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Independent auditor's report to the members of Apricot Aircraft Company (Ireland) 8605 Limited

Other information

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

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

We have nothing to report in this regard.

Opinion of the matters prescribed by the Companies Act 2014

We have obtained all the information and explanations which to the best of our knowledge and belief, we considered 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.

The statement of financial position and statement of comprehensive income are in agreement with the accounting records and returns.

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

- the information given in the Directors' report for the financial year is consistent with the financial statements;
- the Directors' report has been prepared in accordance with applicable legal requirements, excluding the requirements on sustainability reporting in Part 28.

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

Matters on which we are required to report by exception

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

Independent auditor's report to the members of Apricot Aircraft Company (Ireland) 8605 Limited

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, directors/management is responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine 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, management is 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/management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process and for the preparation of financial statements that give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

The objectives of an auditor 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 Irish Auditing and Accounting Supervisory Authority's website at: http://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.

DocuSigned by:



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Dan Holland

For and on behalf of

Grant Thornton

Chartered Accountants & Statutory Audit Firm

13-18 City Quay

Dublin 2

Date: 25/3/2026

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2023

	Notes	Financial year ended 31 December 2023 USD	Financial year ended 31 December 2022 USD
REVENUE			
Operating lease revenue	3	5,370,560	5,370,560
Depreciation	9	<u>(2,575,000)</u>	<u>(2,575,000)</u>
GROSS PROFIT		2,795,560	2,795,560
EXPENSES			
Administrative expenses	5	<u>(32,725)</u>	<u>(28,587)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST	6	2,762,835	2,766,973
Finance expenses	4	<u>(1,364,306)</u>	<u>(1,530,945)</u>
NET FINANCE COSTS		<u>(1,364,306)</u>	<u>(1,530,945)</u>
PROFIT BEFORE INCOME TAX		1,398,529	1,236,028
Income tax	8	<u>(174,816)</u>	<u>(154,504)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>1,223,713</u></u>	<u><u>1,081,524</u></u>

All amounts relate to continuing activities. There were no gains or losses in the financial year, other than those dealt with through the Statement of Comprehensive Income.

All items dealt with in arriving at the profit for the financial year ended 31 December 2023 are related to continuing operations.

The accompanying notes on pages 13 - 21 form an integral part of these financial statements.

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

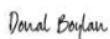
STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	31 December 2023	31 December 2022
		USD	USD
NON CURRENT ASSETS			
Aircraft	9	38,746,597	41,321,597
CURRENT ASSETS			
Trade and other receivables	10	645,162	1,316,483
TOTAL ASSETS		39,391,759	42,638,080
EQUITY			
Share capital	13	100	100
Retained earnings		4,751,702	3,527,989
TOTAL EQUITY		4,751,802	3,528,089
NON CURRENT LIABILITIES			
Finance lease obligation	11	29,630,411	34,487,977
Deferred tax liability	8	675,025	500,211
CURRENT LIABILITIES			
Finance lease obligation	11	4,147,680	3,967,689
Trade and other payables	12	186,841	154,114
TOTAL LIABILITIES		34,639,957	39,109,991
TOTAL EQUITY AND LIABILITIES		39,391,759	42,638,080

The accompanying notes on pages 13 - 21 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 20 March 2026 and signed on its behalf by:



Donal Boylan
Director
23 March 2026



Ta Quang Ngoc
Director
23 March 2026

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	Financial year ended 31 December 2023 USD	Financial year ended 31 December 2022 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit on ordinary activities before tax		1,398,529	1,236,028
Adjustments for:			
Depreciation	9	2,575,000	2,575,000
Interest on lease liabilities	4	1,364,306	1,530,945
(Increase) in trade and other receivables	10	671,321	(842,640)
Increase in trade and other payables	12	32,727	28,587
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		<u>6,041,883</u>	<u>4,527,920</u>
Repayments of finance lease		<u>(6,041,882)</u>	<u>(4,527,920)</u>
NET CASH GENERATED FROM FINANCING ACTIVITIES		<u>(6,041,882)</u>	<u>(4,527,920)</u>
NET INCREASE IN CASH EQUIVALENTS		1	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		-	-
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		<u>1</u>	<u>-</u>

The accompanying notes on pages 13 - 21 form an integral part of these financial statements.

APRICOT AIRCRAFT COMPANY (IRELAND) 8605 LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital USD	Retained earnings USD	Total equity USD
Balance at 1 January 2023	100	3,527,989	3,528,089
Profit for the financial year	-	1,223,713	1,223,713
Balance at 31 December 2023	100	4,751,702	4,751,802
	Share capital USD	Retained earnings USD	Total equity USD
Balance at 1 January 2022	100	2,446,465	2,446,565
Profit for the financial year	-	1,081,524	1,081,524
Balance at 31 December 2022	100	3,527,989	3,528,089

The accompanying notes on pages 13 - 21 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1 CORPORATE INFORMATION

The Company is incorporated on 31 October 2018 (date of incorporation) 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 D01 P767, Ireland and the Company registration number is 636766. The financial statements of the Company are presented as at and for the financial year ended 31 December 2023 ("the financial year").

The principal shareholder of the Company is Vietjet Aviation Joint Stock Company, a company incorporated in Vietnam.

The principal activity of the Company is the investment in and financing of commercial airline assets.

2 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS, and have been prepared in accordance with the Companies Act 2014. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The financial statements are expressed in US Dollar ("USD") and amounts are rounded to the nearest USD, unless otherwise stated. The financial statements have been prepared 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.

The Directors consider the critical accounting judgements to be the estimated useful lives, recoverability of assets and residual values of its aircraft at the end of each financial period and utilise third party experts, where possible, to support estimates.

The material judgements in respect of the aircraft include the identification of triggers and subsequent measurement, and estimates of cash flow including residual values and discounts rates. Estimates also include the intervals used (currently the lease term) to determine future market values for the purposes of setting depreciation rates for individual aircraft. As at 31 December 2023, the carrying value of the aircraft is USD 38,746,597 (2022: USD 41,321,597).

The Company measures the finance lease liability at the present value of the remaining lease fixed payments. After the commencement date, the amount of finance lease liabilities is increased to reflect the accretion of finance lease expense and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the in-substance fixed lease payments. As at 31 December 2023, the carrying amount of finance lease liability is USD 33,778,091 (2022: USD 38,455,665).

GOING CONCERN

The Directors have a reasonable expectation that the Company will continue in operational existence for 12 (twelve) months from the date of approval of the financial statements (the "period of assessment") and have prepared the financial statements on a going concern basis, including:

- the Company's finding and liquidity position;
- cash flow forecasts;
- the Company's debt maturity profile and covenants headroom;
- the ability of the ultimate parent to provide support.

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

FUNCTIONAL AND PRESENTATIONAL CURRENCY

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in United States dollars ("USD"), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. 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 period end exchange rates are generally recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

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.

NEW ACCOUNTING STANDARDS OR AMENDMENTS NOT YET EFFECTIVE

The following new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January and have not been applied in preparing the financial statements. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
IAS 8 - Amendments to Definition of Accounting Estimates	1 January 2023
International Tax Reform - Pillar Two Model Rules	1 January 2023
IAS 1 and IFRS 2 Disclosure of Accounting Policies	1 January 2023
IFRS 17 - Insurance Contracts	1 January 2023
IAS 12 - Income Taxes	1 January 2023

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SIGNIFICANT ACCOUNTING POLICIES - continued

NEW ACCOUNTING STANDARDS OR AMENDMENTS NOT YET EFFECTIVE - continued

Based on a preliminary assessment using currently available information, the Company does not expect the adoption of the above standards to have a material impact on the financial statements in the period of initial application. These preliminary assessments may be subject to changes arising from ongoing analyses when the Company adopts the standards.

LEASE CLASSIFICATION

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Classification is made at the inception of the lease.

LEASE REVENUE

The Company acts as the intermediate lessor of the aircraft under a sublease agreement. When these aircraft are subleased, the sublease does not transfer substantially all the risks and rewards incidental to ownership, the sublease is classified as an operating lease.

Lease revenue from aircraft on operating leases is recognised on a straight line basis over the period of the applicable lease as it is earned. Where rentals are adjusted to reflect increases or decreases in prevailing interest rates such adjustments are accounted for as they arise. Lease rentals received in advance are deferred and recognised over the period to which they relate. Revenue from aircraft trading transactions is recognised as income when the contract for sale or supply of the relevant aircraft is substantially completed and the risk of ownership of the equipment is transferred.

OTHER INCOME AND EXPENSE RECOGNITION

All other income and operating expenses are accounted for on an accruals basis.

FINANCE EXPENSE

Finance expense mainly comprises interest expense on obligations under finance leases and is accounted for on an effective interest rate basis.

TAXATION

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operates and generates taxable income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

FINANCIAL INSTRUMENTS

The Company's financial asset categories are financial assets at amortised cost. Financial assets at amortised cost comprise "Trade and other receivables" in the Statement of Financial Position.

The Company's financial liabilities are all categorised as financial liabilities measured at amortised cost. Financial liabilities measured at amortized cost comprises "Finance Lease obligations" and "Trade and other payables" in the Statement of Financial Position.

1) Financial Assets

a) Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, fair value through profit or loss ("FVPL"), or fair value through other comprehensive income ("FVOCI").

The classification of financial assets at initial recognition depends on the financial assets future cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets, or both.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition
- financial assets at fair value through profit or loss

The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost are cash and cash equivalents, aircraft deposits and trade and other receivables.

- Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI and are not held for trading. The classification is determined on an instrument-by-instrument basis.

2 SIGNIFICANT ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS- continued

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Statement of Comprehensive Income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not hold any equity instruments at fair value through OCI.

- Financial assets designated at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Statement of Comprehensive Income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Company does not hold any debt instruments at fair value through OCI.

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

The Company does not hold any financial assets at fair value through profit or loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Statement of Financial Position) when:

- (i) the Company has transferred its rights to receive cash flows from the asset, or
- (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs 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, discounted at an approximation of the original effective interest rate. The expected cash flows will include cashflows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages;

- for credit loss exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

- those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Company. A financial asset is written off for these reasons when there is no reasonable expectation of recovering the contractual cash flows.

2) Financial Liabilities

a) Initial recognition and measurement

The Company's financial liabilities are all categorised as financial liabilities measured at amortised cost. Financial liabilities measured at amortised cost comprises, "Finance lease obligation" and "Trade and other payables" in the Statement of Financial Position.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition. The Company has not designated any financial liability as at fair value through profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SIGNIFICANT ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS - continued

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Comprehensive Income.

This category generally applies to interest-bearing loans and borrowings.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Comprehensive Income.

AIRCRAFT

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. Borrowing costs related to the acquisition of qualifying assets are included as part of the cost of the asset. Depreciation is calculated on a straight line basis over the asset's estimated useful life to an estimated residual value.

Depreciation is recognised in the Statement of Profit or Loss and Other Comprehensive Income over the remaining estimated useful life from the date of manufacture to an estimated residual value.

Estimated Useful Life	Residual Value
17 Years	15% of Cost

Depreciation methods, residual values and useful lives are reviewed at the reporting date.

Residual values are determined based on the estimated values at the end of the useful lives of the aircraft assets, which are supported by estimates received from independent appraisers. In accordance with IAS 16 "Property, plant and equipment", the Company's aircraft and major modules that are to be held and used are reviewed for impairment whenever events or changes in circumstance indicate that 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 value of its value in use and net realisable value. 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.

If recoverable amounts are lower than carrying values, assets are reduced to their recoverable amounts with the resultant impairment charges being recorded in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income. Where a prior impairment loss has decreased or reversed, the carrying amount of the asset is increased and the impairment loss reversed in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income to the extent that the asset is not carried at a higher value than if no impairment loss had been recognised in prior years.

MODIFICATION OF LEASES

The Company recognises lease modifications when there is a change in the scope of a lease, or the consideration for the lease, that was not part of the original terms and conditions of the lease. These modifications are accounted for as separate contracts and the Company applies the requirements of IFRS 16 to the newly added and deleted assets independently of the original lease.

LEASE RECEIVABLES

Lease receivables are initially measured at fair value and are subsequently measured at amortised cost.

The Company applies the IFRS 9 simplified approach to measuring ECLs which uses a lifetime expected loss allowance for lease receivables.

TRADE AND OTHER PAYABLES

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost. Trade and other payables are non interest-bearing and are stated at their nominal value.

LEASE LIABILITY

At lease commencement date, the Company recognises right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct cost incurred by the Company, an estimate costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect reassessment or modification, or if there are other changes in in substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been presented separately in the consolidated statement of financial position.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially measured at fair value and are subsequently measured at amortised cost. The Company applies the IFRS 9 simplified approach to measuring expected credit losses ("ECLs") which uses a lifetime expected loss allowance for trade receivables. While trade receivables are subject to the impairment requirements of IFRS 9, the identified loss was immaterial.

SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

3 OPERATING LEASE REVENUE

	Financial year ended 31 December 2023	Financial year ended 31 December 2022
	USD	USD
Operating lease revenue	5,370,560	5,370,560
Total operating lease revenue	5,370,560	5,370,560

The Company had one customer in the financial year ended 31 December 2023 which accounted for 100% of revenue and was derived from Vietnam, Asia.

At 31 December 2023, the Company had contracted to receive the following minimum cash lease rentals under non-cancellable operating leases:

	Financial year ended 31 December 2023	Financial year ended 31 December 2022
	USD	USD
Due within one year	5,370,560	5,370,560
Due between one and two years	5,370,560	5,370,560
Due between two and five years	21,047,850	31,009,648
	31,788,970	41,750,768

There are no contingent rentals. The lease is due to expire in 2027.

4 FINANCE EXPENSES

	Financial year ended 31 December 2023	Financial year ended 31 December 2022
	USD	USD
Interest expense on lease liability	1,364,306	1,530,945
Total finance expenses	1,364,306	1,530,945

5 ADMINISTRATIVE EXPENSES

	Financial year ended 31 December 2023	Financial year ended 31 December 2022
	USD	USD
Foreign exchange loss/(gain)	2,020	(2,661)
Audit fees	12,974	12,511
Tax fees	4,946	4,770
Accounting and administration	12,785	12,668
Other Professional fees	-	1,299
Total administrative expenses	32,725	28,587

6 PROFIT ON ORDINARY ACTIVITIES BEFORE INCOME TAX

	Financial year ended 31 December 2023	Financial year ended 31 December 2022
	USD	USD
The profit before taxation is arrived at after charging:		
Depreciation	2,575,000	2,575,000
Auditor's remuneration, excluding expenses and excluding VAT, comprises of:		
Statutory audit fees	12,974	12,511
Total auditor's remuneration	12,974	12,511

The Directors do not receive any fee for acting or having acted as directors of the Company.

7 EMPLOYEES

The Company had no employees during the financial year (2022: No employees). Apex IFS Limited acts as a corporate administrator to the Company in accordance with the terms of a service agreement.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

8 INCOME TAX

	Financial year ended 31 December 2023 USD	Financial year ended 31 December 2022 USD
(a) Analysis of tax charge in the financial year		
Deferred tax expense	174,816	154,504
Total income tax expense	174,816	154,504
(b) Reconciliation of effective tax rate		
Profit before income tax	1,398,529	1,236,028
Tax based on standard rate of 12.5%	(174,816)	(154,504)
<i>Adjust for tax effects of:</i>		
Depreciation	321,875	321,875
Capital allowance	(804,688)	(804,688)
Loss relief carried forward	307,835	328,146
Disallowed expenses	162	163
Total tax charge	(174,816)	(154,504)
The movements in the deferred tax were as follows:		
Balance at start of financial year	(500,211)	(345,707)
Capital allowance in excess of depreciation	(482,813)	(482,813)
Movement in tax losses carried forward	307,835	328,146
Disallowed expenses	164	163
Balance at the end of the financial year	(675,025)	(500,211)

The Company is not a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act 1997.

9 AIRCRAFT

	Financial year ended 31 December 2023 USD	Financial year ended 31 December 2022 USD
Aircraft - Right of use asset		
Balance at beginning of the year	51,500,000	51,500,000
Balance at 31 December 2023	51,500,000	51,500,000
Depreciation		
Balance at beginning of the year	(10,178,403)	(7,603,403)
Depreciation charge for the financial year	(2,575,000)	(2,575,000)
Balance at 31 December 2023	(12,753,403)	(10,178,403)
Net book value	38,746,597	41,321,597

In accordance with the stated accounting policy, an impairment review was performed. As a result of this review, no impairment provision was recognised in the financial year (2022: USD Nil). This impairment headroom was calculated by comparing the carrying value of the aircraft to the higher of net realisable value and value in use, based on anticipated cash flows.

The Directors are satisfied that the net book value of the aircraft is appropriate and that no impairment exists at 31 December 2023.

The geographic region of the aircraft operator is Asia. The Aircraft may be pledged as collateral for external funding arrangements.

10 TRADE AND OTHER RECEIVABLES

	31 December 2023 USD	31 December 2022 USD
Lease income receivable	645,062	1,316,383
Unpaid share capital	100	100
Total trade and other receivables	645,162	1,316,483

11 FINANCE LEASE OBLIGATION

	31 December 2023 USD	31 December 2022 USD
Balance at beginning of the year	38,455,665	41,452,640
Interest accrued on the equity portion	1,364,306	1,530,945
Repayments during the financial year	(6,041,880)	(4,527,920)
Balance at end of financial year	33,778,091	38,455,665
Future minimum lease payments are as follows:		
Less than one year	4,147,680	3,967,689
More than one year, less than two years	4,307,281	4,120,364
More than two year, less than five years	25,323,130	30,367,612
Balance at end of financial year	33,778,091	38,455,665

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

12 TRADE AND OTHER PAYABLES

	31 December 2023 USD	31 December 2022 USD
Intergroup payable	139,309	95,402
Operating expenses payable	47,532	58,712
Total trade and other payables	186,841	154,114

Intergroup payable covers accounting, tax, legal and other administrative expenses paid by another group company on behalf of the Company.

13 SHARE CAPITAL

Authorised share capital

	31 December 2023 USD	31 December 2022 USD
100 Ordinary shares of USD 1 each	100	100

Issued, called-up and fully paid share capital

	31 December 2023 USD	31 December 2022 USD
100 Ordinary shares of USD 1 each	100	100

14 FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Risk Management Framework

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

The Company has exposure to the following risks from its use of financial instruments:

- 1) Market risk;
- 2) Credit risk;
- 3) Asset and residual value risk;
- 4) Liquidity risk; and
- 5) Valuation of financial instruments
- 6) Operational risk.

The Board reviews and agrees policies for managing each of these risks and these are summarized below. These policies have remained unchanged since the Company commenced operations.

1) Market risk

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

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and price risk.

A. Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is not exposed to any net material currency movements as all operating lease rentals and loans are denominated in USD. There are minimal EUR currency values transacted in the Company, which are not material.

The Company does not believe it is subject to any currency risk resulting from these arrangements and therefore no sensitivity analysis is presented.

B. Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company is not exposed to any market price risk.

C. Interest rate risk

The Company's operating lease rental receipts are fixed, and the Company does not believe it is subject to interest rate risk on the lease held, therefore no sensitivity analysis is presented.

2) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at period-end was as follows:

	31 December 2023 USD	31 December 2022 USD
Trade and other receivables	645,162	1,316,482
Total trade and other receivables	645,162	1,316,482

3) Asset and residual value risk

The Company bears the risk of reselling the aircraft at the end of its lease term. If demand for aircraft decreases, market lease rates may fall and should this continue for an extendable period, it could affect the market value of the aircraft and may result in an impairment charge.

The Company is highly dependent upon the continuing financial strength of the airline industry. A significant deterioration in this sector could adversely affect the Company through a reduced demand for aircraft and/ or reduced market rates, higher incidences of lessor default and aircraft on the ground. The Company annually performs reviews of the carrying values of the aircraft and associated assets, receivables and the sufficiency of accruals and provisions, substantially all of which are susceptible to the above risks of uncertainties.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

14 FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS - continued

4) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company tries to match the terms of its financial liabilities to its assets to avoid significant elements of risk generated by mismatches of investment performance against its obligations.

The following table details the Company's liquidity analysis for its financial liabilities. The table has been drawn up based on the undiscounted net cash flows on the financial liabilities that settle on a net basis and the undiscounted gross cash flows on those financial liabilities that require gross settlement.

31 December 2023	Carrying amount	Gross contractual cash flows	Less than one year	Greater than one year
	USD	USD	USD	USD
Finance lease obligation	33,778,091	33,778,091	4,147,680	29,630,411
Trade and other payables	186,841	186,841	186,841	-
Total Liabilities	33,964,932	33,964,932	4,334,521	29,630,411

31 December 2022	Carrying amount	Gross contractual cash flows	Less than one year	Greater than one year
	USD	USD	USD	USD
Finance lease obligation	38,455,665	38,455,665	3,967,689	34,487,976
Trade and other payables	154,114	154,114	154,114	-
Total Liabilities	38,609,779	38,609,779	4,121,803	34,487,976

5) Valuation of financial instruments

The Group measures fair values using the following hierarchy of methods:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived by prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

6) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and infrastructure, and from external factors other than credit, markets and liquidity issues such as those arising from the legal and regulatory requirements and generally accepted standards to corporate behaviour. The Company outsources a number of operational functions to reputable service providers. The Company outsources its accounting, administration and company secretarial services to Apex IFS Limited.

15 GROUP MEMBERSHIP

The ultimate parent company of the Company is Vietjet Aviation Joint Stock Company, registered and domiciled in Vietnam.

16 RELATED PARTY TRANSACTIONS

Statement of Comprehensive Income

	Financial year ended 31 December 2023 USD	Financial year ended 31 December 2022 USD
Operating lease revenue	5,370,560	5,370,560
	5,370,560	5,370,560

Statement of Financial Position

	31 December 2023 USD	31 December 2022 USD
Lease income receivable	645,062	1,316,382
Unpaid share capital	100	100
Intergroup payable	(139,309)	(95,402)
	505,853	1,221,080

The Company's lessee is Vietjet Aviation Joint Stock Company, who is the Parent Company.

The Company recorded payables to related parties, which are mainly related to the payment of general administrative expenses on behalf of the Company. The related parties are other group parties. It is expected that the Company will settle this payable in the short term.

Under IAS 24 a related party is a person or an entity that is related to the reporting entity: A person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel. Key management personnel are those people having authority and responsibility for planning, directing, and controlling the activities of an entity, either directly or indirectly such as the Directors referenced below.

Apex IFS, the Company Secretary, provides administration services to the Company at arm's length commercial rates. During the year under review, Apex IFS provided administration services to the Company totalling USD 12,785 (2022: USD 12,668). At 31 December 2023, the balance accrued to Apex IFS was USD Nil (2022: USD Nil).

17 COMMITMENTS AND CONTINGENCIES

There were no contingent liabilities that require disclosure in financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

18 EVENTS AFTER THE REPORTING YEAR

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

19 APPROVAL OF FINANCIAL STATEMENTS

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