DORIC NIMROD AIR THREE LIMITED

Unaudited Interim Financial Report

For the period from 1 April 2023 to 30 September 2023

CONTENTS

DEFINITIONS

“AD”	Airworthiness Directive
“Administrative Shares”	Subordinated administrative shares
“AED”	United Arab Emirates dirham
“Amedeo” or the “Asset Manager”	Amedeo Management Limited
“AR Committee”	Audit and Risk Committee
“Articles”	Company’s Articles of Incorporation
“ASKs”	Available seat kilometres
“Board”	Company’s Board of directors
“CDSs”	Credit Default Swaps
“Chair”	Chair of the Board
“DTRs”	Disclosure Guidance and Transparency Rules
“DNA3” or the “Company”	Doric Nimrod Air Three Limited
“DNA Alpha” or the “Subsidiary”	DNA Alpha Limited
“EASA”	European Union Aviation Safety Agency
“EBITDA”	Earnings Before Interest, Taxes, Depreciation and Amortisation
“EETC” or “Trust Certificates”	Enhanced Equipment Trust Certificates
“Emirates” or the “Lessee”	Emirates Airline
“FCA”	Financial Conduct Authority
“FVOCI”	Fair value through other comprehensive income
“FVTPL”	Fair value through profit or loss
“GBP”, “£” or “Sterling”	Pound Sterling
“GDP”	Gross Domestic Product
“Group”	the Company and its subsidiary
“IAS 1”	International Accounting Standard 1 - Presentation of financial statements
“IAS 8”	International Accounting Standard 8 - Accounting policies
“IAS 16”	International Accounting Standard 16 - Property, Plant and Equipment
“IAS 34”	International Accounting Standard 34 - Interim Financial Reporting
“IAS 36”	International Accounting Standard 36 - Impairment of Assets

DEFINITIONS (continued)

"IASB"	International Accounting Standards Board
"IATA"	International Air Transport Association
"ICAO"	International Civil Aviation Organization
"IEnvA"	IATA Environmental Assessment
"IFRS"	International Financial Reporting Standards
"IFRS 16"	IFRS 16 – Leases
"JTC" or "Secretary" or "Administrator"	JTC Fund Solutions (Guernsey) Limited
"Registrar"	JTC Registrars Limited
"Law"	The Companies (Guernsey) Law, 2008, as amended
"Lease(s)"	Lease of Aircraft to Emirates
"Loan(s)"	Borrowings obtained by the Group to part-finance the acquisition of Aircraft
"LSE"	London Stock Exchange
"Nimrod" or "Corporate and Shareholder Adviser"	Nimrod Capital LLP
"Pandemic"	COVID-19 Pandemic
"Period"	1 April 2023 until 30 September 2023
"PLF"	Passenger Load Factor
"RPKs"	Revenue Passenger Kilometres
"SFS"	Specialist Fund Segment
"Shareholders" or "Members"	Shareholders of the Company
"Shares"	Ordinary Preference Shares
"Share Capital"	Share Capital of the Company
"UAE"	United Arab Emirates
"UK"	United Kingdom
"UN"	United Nations
"USD" or "$"	US Dollar
"VIU"	Value-in-use
"WHO"	The UN World Health Organization

SUMMARY INFORMATION

Listing	Specialist Fund Segment of the London Stock Exchange's Main Market
Ticker	DNA3
Share Price	48.0 pence (as at 30 September 2023) 54.50 pence (as at 12 December 2023)
Market Capitalisation	GBP 119.90 million (as at 12 December 2023)
Current Dividend / Future Anticipated Dividend	Current dividends are 2.0625 pence per quarter per share (8.25 pence per annum) and it is anticipated that this will continue until the aircraft leases begin to terminate in 2025
Dividend Payment Dates	April, July, October, January
Currency	Sterling
Launch Date / Share Price	2 July 2013 / 100 pence
Incorporation and Domicile	Guernsey
Aircraft Registration Number (Lease Expiry Dates include 2 year extension)	A6-EEK (29 August 2025) A6-EEO (29 October 2025) A6-EEM (14 November 2025) A6-EEL (27 November 2025)
Asset Manager	Amedeo Management Limited
Corporate and Shareholder Adviser	Nimrod Capital LLP
Administrator	JTC Fund Solutions (Guernsey) Limited
Auditor	Grant Thornton Limited
Market Makers	finnCap Ltd Investec Bank Plc Jefferies International Ltd Numis Securities Ltd Shore Capital Limited Winterflood Securities Ltd
SEDOL, ISIN, LEI	B92LHN5, GG00B92LHN58, 213800BMYMCBKT5W8M49
Year End	31 March
Website	www.dnairthree.com

COMPANY OVERVIEW

DNA3 is a Guernsey company incorporated on 29 March 2012.

Pursuant to the Company's Prospectus dated 20 June 2013, the Company, on 2 July 2013, offered its Shares for issue by means of a placing and raised approximately GBP 211 million by the issue of Shares at an issue price of 100 pence per share. The Company's Shares were admitted to trading on the SFS on 2 July 2013.

As at 12 December 2023, the last practicable date prior to the publication of this report, the Company's total issued Share capital consisted of the Administrative Shares and 220,000,000 Shares. The Shares were trading at 54.50 pence per Share.

Investment Objectives and Policy
The Company's investment objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then selling aircraft. To pursue its investment objective, the Company has used the net proceeds of placings and other equity capital raisings, together with debt facilities (or instruments), to initially acquire four Airbus A380 Aircraft which are leased to Emirates, the national carrier owned by The Investment Corporation of Dubai based in Dubai, UAE.

DNA Alpha
The Company has one wholly owned subsidiary: DNA Alpha which holds the Assets for the Company.

The first Asset was acquired by DNA Alpha on 29 August 2013 for a purchase price of USD 245 million. Upon delivery, DNA Alpha entered into an operating Lease with Emirates, pursuant to which the first Asset has been leased to Emirates for an expected initial term of 10 years, ending August 2023, with an extension period of two years ending August 2025, in which rental payments reduce. The loan terms for this Aircraft were arranged to match the contractual rental received during the initial lease term of 10 years including the final rental prepayment in the event that the extension was not utilised.

The second Asset was acquired by DNA Alpha on 29 October 2013 for a purchase price of USD 245 million. Upon delivery, DNA Alpha entered into an operating Lease with Emirates, pursuant to which the second Asset has been leased to Emirates for an expected initial term of twelve years, with fixed lease rentals for the duration. The initial Lease is for 10 years ending October 2023, with an extension period of two years ending October 2025, in which rental payments reduce. The loan terms for this Aircraft were arranged to match the contractual rental received during the initial lease term of 10 years including the final rental prepayment in the event that the extension was not utilised.

The third Asset was acquired by DNA Alpha on 14 November 2013 for a purchase price of USD 245 million. Upon delivery, DNA Alpha entered into an operating Lease with Emirates, pursuant to which the third Asset has been leased to Emirates for an expected initial term of twelve years, with fixed lease rentals for the duration. The initial Lease is for 10 years ending November 2023, with an extension period of two years ending November 2025, in which rental payments reduce. The loan terms for this Aircraft were arranged to match the contractual rental received during the initial lease term of 10 years including the final rental prepayment in the event that the extension was not utilised.

The fourth Asset was acquired by DNA Alpha on 27 November 2013 for a purchase price of USD 245 million. Upon delivery, DNA Alpha entered into an operating Lease with Emirates, pursuant to which the fourth Asset has been leased to Emirates for an expected initial term of twelve years, with fixed Lease rentals for the duration. The initial Lease is for 10 years ending November 2023, with an extension period of two years ending November 2025, in which rental payments reduce. The loan terms for this aircraft were arranged to match the contractual rental received during the initial lease term of 10 years including the final rental prepayment in the event that the extension was not utilised.

DNA Alpha acquired the Assets, using a combination of a portion of the proceeds of the issue of the Ordinary Shares by the Company together with the proceeds of the sale of equipment notes issued by DNA Alpha and the initial rent payment pursuant to the relevant operating Leases. The equipment notes were acquired by two separate pass through trusts using the proceeds of their issue of EETCs as detailed within the offering circular issued by DNA Alpha dated 10 July 2013.

Further information about the construction of these Leases is available in note 12 to the financial statements.

COMPANY OVERVIEW (continued)

The EETCs, with an aggregate face amount of approximately USD 630 million, are admitted to the official list of the Euronext Dublin and to trading on the Main Securities market thereof and matured in May 2023.

Emirates bears all costs (including maintenance, repairs, and insurance) relating to the Aircraft during the lifetime of the Lease.

Distribution Policy
The Company currently targets a distribution of 2.0625 pence per Share per quarter.

The payment of dividends to Shareholders cannot be guaranteed, and if dividends are indeed paid, there is uncertainty regarding the timing and amount of such payments. Additionally, there is no assurance that the Company will consistently meet the solvency test outlined in section 304 of the Law, which is necessary for the Directors to authorise dividend payments.

Performance Overview
All payments by Emirates have, to date, been made in accordance with the terms of the respective Leases.

During the financial period under review and in accordance with the Distribution Policy the Company declared two interim dividends of 2.0625 pence per Share. One interim dividend of 2.0625 pence per Share had been declared after the reporting period.

Return of Capital
The Company intends to return to Shareholders the net capital proceeds if and when the Company is wound up (pursuant to a Shareholder resolution, including the Liquidation Resolution), subject to compliance with the Articles and the applicable laws (including any applicable requirements of the solvency test contained therein).

Liquidation Resolution
Although the Company does not have a fixed life, the Articles require that the directors convene a general meeting of the Company in November 2026 where an ordinary resolution will be proposed that the Company proceed to an orderly wind-up at the end of the term of the Leases. In the event that the liquidation resolution is not passed, the directors will consider alternatives for the future of the Company, including re-leasing the Assets, or selling the Assets and reinvesting the capital received from the sale of the Assets in other aircraft.

CHAIR'S STATEMENT

I am pleased to present to you the Company's Unaudited Interim Report for the six month period ended 30 September 2023.

During the Period the Company has declared and paid two quarterly dividends of 2.0625 pence per Share each, a rate of dividend payment amounting to 8.25 pence per Share per annum.

The Company's investment objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then selling aircraft. The structures of the operating leases relating to the Company's four aircraft are described on pages 30 and 34.

The debt portion of the funding was designed to be fully amortised, which would leave the aircraft unencumbered on the conclusion of the ultimate lease. As I have already reported, all debt associated with the Company's aircraft has now been fully repaid. Emirates bears all costs (including maintenance, repair and insurance) relating to the aircraft during the lifetime of the leases. At the time of writing the share price is 54.50 pence, representing a market capitalisation of GBP 119,900,000 based on the 220,000,000 Shares in issue. All payments by Emirates during the period and throughout the lease periods have been made in accordance with the terms of the Leases.

The Company's first scheduled Lease expiry falls due in August 2025.

Market Conditions

After repeated lockdowns, worldwide air passenger travel first regained some momentum in 2022 and recovered substantially according to IATA. The rebound has continued into 2023. In September industry-wide RPKs increased by 30.1% compared to the same period in the year before. This is 2.7% below the pre-Pandemic level achieved in September 2019. At the same time airlines boosted their capacities, measured in ASKs, from September 2022 by 28.8%, a recovery to 96.5% of the pre-Pandemic value in September 2019. The average PLF improved by 0.8 percentage points from its September 2022 levels to 82.6%, or 0.7 percentage points above its September 2019 levels.

In the first half of its 2023/24 financial year ending on 30 September 2023, Emirates recorded a net profit of USD 2.6 billion, a record half-year performance for the company and 134% more than in the same period of the previous year. Revenue, including other operating income, was up 19% from last year and reached USD 16.2 billion. The airline reported a PLF of 81.5%. Emirates ended September 2023 with cash assets of USD 10.4 billion, slightly more than at the beginning of the current financial year. In its efforts to rebuild its network and bring back capacity, the carrier returned 90 A380 aircraft to service so far. Furthermore, Emirates revealed plans to fly the A380 at least until 2041 due to the lack of similar-sized replacement aircraft. Earlier plans indicated that the airline would start to remove them from service in 2031. To maintain and improve operational efficiency and maximize fleet performance and reliability "well into the next decade", Emirates recently signed support agreements worth over USD 1.5 billion with industry partners.

Stakeholder Engagement

Our Asset Manager, Amedeo, continues to monitor the Leases, is in frequent contact with the Lessee and reports regularly to the Board. Nimrod, our Corporate and Shareholder Adviser, continues to liaise with Shareholders alongside or on behalf of the Board and has provided valuable feedback on the views of Shareholders.

The Board encourages Shareholders to read the Company's quarterly fact sheets which we believe provide a great deal of interesting information. We hope these regular reports, in addition to the communication you receive from Nimrod, are useful and informative. The Directors welcome Shareholder engagement and feedback and encourage you to contact Nimrod to request a meeting or to relay any feedback.

CHAIR'S STATEMENT (continued)

The Board
As part of the Board's succession planning arrangements, Charles Wilkinson stepped down from his position as a non-executive Director of the Company on 31 July 2023, having been a member of the Board since inception in 2011. Theresa Oldham was appointed as a Director on 1 April 2023, which allowed for an orderly transition and maintained the Company's focus on delivering value for its Shareholders.

Accounting Treatment
Shareholders should note that although the underlying cash flows received and paid during the Period have been received and paid as anticipated and in accordance with contractual obligations, it may not be obvious that this is so principally because of the application of the accounting treatment for rental income mandated by IFRS.

The entirety of the rental income that is receivable under the 12-year Leases (including advance rental received as part of the initial acquisition of the Assets) is credited evenly over each of the 144 months of the Leases. However rental income has been received in advance of this uniform pattern in order to match and fund the accelerated payment down of debt. Thus, as at 30 September 2023, 100% of A Rent receivable under the Leases has been received, which has funded the payment down of 100% initial borrowings, whereas under the relevant accounting standard only some 83% may be recognised. All outstanding debt associated with the Group's Aircraft was repaid on 30 May 2023. This mismatch in timing between the receipt and recognition of rental income results in a deferred income creditor of GBP 109 million or some 49 pence per Share in the 30 September 2023 Consolidated Statement of Financial Position. This is an artificial accounting adjustment in the sense that it does not represent a liability to pay GBP 109 million to third parties. The faster that income is received and debt repaid the larger the resultant creditor producing a reduction in reported net asset value.

On behalf of the Board, I would like to thank our service providers for their ongoing assistance and, most importantly, all Shareholders for their continuing support.

Andreas Tautscher
Chair

14 December 2023

ASSET MANAGER'S REPORT

At the request of the Directors of the Group, this commentary has been provided by the Asset Manager of the Company. The report reflects the information available at the end of September 2023 unless otherwise noted.

External Factors Affecting the Company

In May 2023 the WHO declared an end to the Pandemic as a public health emergency, stressing, however, that this does not mean the disease is no longer a global threat. At the end of January 2020 the WHO had declared the Pandemic a public health emergency of international concern which has since counted more than 765 million confirmed cases and nearly seven million deaths. In a statement, the WHO noted the enormous damage inflicted on all aspects of global life by the virus including enormous economic upheaval, "erasing trillions from GDP, disrupting travel and trade, shuttering businesses, and plunging millions into poverty".

Aviation was one of the sectors hardest hit as Pandemic-induced travel restrictions and safety measures in many regions around the globe resulted in a historic slump in air passenger traffic. Highly effective vaccines increased immunity and allowed the reduction of containment measures over time. This permitted air passenger traffic to start an unprecedented recovery in 2022 which continues to date. In September 2023 industry-wide revenue kilometres reached more than 97% of their pre-Pandemic levels.

However, the aviation sector continues to be exposed to risks due to the current economic and geopolitical environment. To support economic growth during the Pandemic, central banks used quantitative easing which has triggered higher inflation across the globe. Appropriate countermeasures to contain these unwanted side-effects have resulted in dislocations in the financial markets and impacts on the real economy. Furthermore, airlines are directly impacted by ongoing supply chain issues with aircraft and engine manufacturers not always able to deliver new aircraft or spare parts to maintain existing fleets on time. A significant number of airlines is also affected by an increased level of debt, taken out during the Pandemic to finance the unprecedented corporate losses, and the resulting debt service requirements, impacting their free cash flow. Increasing oil prices are another point of concern.

Asset Manager's Comment

1. The Assets

The Company acquired four Airbus A380 aircraft by the end of November 2013. Since delivery, each of the four aircraft has been leased to Emirates – the national carrier owned by the Investment Corporation of Dubai, based in Dubai, UAE – for a term of 12 years with fixed lease rentals for the duration. In order to complete the purchase of the aircraft, DNA Alpha, a wholly owned subsidiary of the Company, issued two tranches (Class A & Class B) of EETCs – a form of debt security – in July 2013 in the aggregate face amount of USD 630 million. In May 2023 DNA Alpha had fully repaid all outstanding EETC obligations.

Due to the effects of the Pandemic, all four aircraft were put into storage in March 2020 and have returned to service in the meantime, the last at the end of August 2022. Aircraft utilisation for the period from delivery of each Airbus A380 until the end of September 2023 was as follows:

MSN	Delivery Date	Flight Hours	Flight Cycles	Average Flight Duration
132	29/08/2013	35,296	4,327	8h 9m
133	27/11/2013	36,087	4,132	8h 44m
134	14/11/2013	33,562	3,783	8h 52m
136	29/10/2013	35,735	3,994	8h 57m

Maintenance Status

Emirates maintains its A380 aircraft fleet based on a maintenance programme according to which minor maintenance checks are performed every 1,500 flight hours and more significant maintenance checks (C checks) at 36-month or 18,000-flight hour intervals, whichever occurs first.

Emirates bears all costs relating to the aircraft during the lifetime of the leases (including for maintenance, repairs, and insurance).

ASSET MANAGER'S REPORT (continued)

In November 2023 the European Union Aviation Safety Agency issued an AD adopting the already mandatory inspection of wing rear spars between certain wing ribs. After the assessment of more initial wing rear spars inspection results by Airbus had revealed an increased number of findings, criteria previously specified by Airbus were no longer justified. Prompted by these developments, Airbus redefined one of the driving parameters for the threshold for wing rear spars inspections, by replacing a previous to be calculated factor with a fixed factor, defined in this AD. This new factor focuses on time spent in storage.

Starting in 2019 a series of ADs were issued addressing concerns of potential cracks in certain wing rear spars. However, the aircraft owned by the Company were not due for inspections according to earlier ADs. Based on the data and evidence collected during the inspections over the last four years or so, contributing factors in addition to the age of the wing were identified. The probability of a crack, for example, does also depend on the amount of time an aircraft has spent on the ground (stored, parked) in severe environmental conditions. The phenomenon underlying this relationship is called Hydrogen Environmental Assisted Cracking. It affects specific aluminium alloys used in the A380. Emirates aircraft are more severely affected than those of other A380 operators, due mainly to the hot desert climate in the UAE and prolonged storage periods during the Pandemic in that environment.

Emirates schedules 60 days for the initial inspection. Repeat inspections are currently scheduled at an interval of 36 months. Three of the Company's four aircraft are currently in Toulouse (France), Teruel (Spain), and Beijing (China) for inspection and their return to service is expected immediately after completion of the work.

Inspections

The Asset Manager conducted records audits and physical inspections of the Aircraft with MSN 132 in March 2023 and MSNs 133, 134, and 136 in May 2023. The records and physical condition of the Aircraft were in compliance with the provisions of the respective lease agreements.

2. Market Overview

The impact of the Pandemic on the global economy was severe resulting in a 3.1% contraction in global GDP in 2020, followed by a recovery of 6.0% and 3.1% in 2021 and 2022 respectively. According to its latest report on global economic prospects from June 2023, the World Bank expects moderate growth of 2.1% for the current year. In its latest economic impact analysis from April 2023, the ICAO estimates that the full year 2022 experienced an overall reduction in seats offered by airlines of 25% compared with pre-crisis 2019 levels. This translates into a 34% seat reduction in the international passenger traffic segment, while domestic air passenger traffic was less affected by the Pandemic with an overall reduction of only 19% of seats offered by airlines. ICAO has not provided guidance for this year.

According to its June 2023 estimates, the IATA indicates an airline industry-wide net loss of USD 3.6 billion for 2022, following losses of approximately USD 41.9 billion in the previous year. For the current year, IATA expects the first surplus since 2019 with the combined net profit of airlines worldwide to reach USD 9.6 billion. This would be a remarkable turnaround from a net loss of nearly USD 138 billion back in 2020. Nevertheless, the global economy is facing headwinds which also impact aviation. IATA does not expect a global recession as a record number of people are earning a regular income and unemployment rates are exceptionally low. But headwinds for the air transport sector result from a slowdown in GDP growth and the central banks' rate tightening in response to a surge in global inflation. Overall, IATA describes the outlook as follows: "In sum, while the current stage in the business cycle is slowing but still holding up close to the average, the world is facing high levels of uncertainty on multiple fronts, many of which might be rather structural in nature. This skews the risks to the overall outlook decidedly to the downside, both in the near and in the longer term."

Air passenger travel first gained momentum in 2022 and has recovered substantially according to IATA. The rebound has continued into 2023: In September industry-wide RPKs increased by 30.1% compared to the same period in the year before. This is 2.7% below the pre-Pandemic level achieved in September 2019. At the same time airlines boosted their capacities, measured in ASKs, from September 2022 by 28.8%, a recovery to 96.5% of the pre-Pandemic value in September 2019. The average PLF improved by 0.8 percentage points from its September 2022 levels to 82.6%, or 0.7 percentage points above its September 2019 levels.

ASSET MANAGER'S REPORT (continued)

While international travel measured in RPKs is still 6.9% short of its volume before the sector was hit by the Pandemic, global domestic travel has fully recovered, surpassing the 2019 benchmark levels by 5.0%. The strong performance of major markets over the last few months, and in particular positive developments in China, have contributed to these results. However, ticket sales signal a weakening global demand for air travel in the future. This is mainly triggered by a declining demand for domestic travel in China, as "the growth momentum in China's domestic traffic is now tapering off", as per the IATA Air Passenger Market Analysis report for September 2023. According to the latest IATA data, worldwide domestic passenger traffic could "remain flat or decline as pent-up tourism in China cools down, impacting industry-wide and regional numbers". China is the second largest market for domestic air travel. IATA also expects "a similar downward trend" for international ticket sales. Notwithstanding the elevated risks by high consumer pricing and a slowdown in China, "air travel demand could remain resilient to these headwinds in the coming months", according to IATA.

The Middle East, where the Lessee is located, recorded an RPK increase of 26.1% between September 2022 and September 2023. Capacities measured in ASKs expanded by 22.8% over the period, resulting in a 2.2 percentage points improvement of the average PLF to 81.6% or 6.6 percentage points above its pre-Pandemic levels.

Source: IATA, ICAO, World Bank

© International Air Transport Association, 2023. Air Passenger Market Analysis September 2023. Global Outlook for Air Transport – June 2023. Available on the IATA Economics page.

© International Civil Aviation Organization. Effects of Novel Coronavirus (COVID-19) on Civil Aviation: Economic Impact Analysis, 27 April 2023.

3. Lessee – Emirates

Network

From November 2023 Emirates will upgrade its service to Sydney, Australia, to an all-A380 operation by replacing the third daily flight with another A380. This will help increase capacity by nearly 2,000 seats weekly. The airline has plans to also return to Adelaide, the capital city of South Australia, and is reportedly in discussions with Adelaide Airport to operate an Airbus A350 from and to Dubai from next year. Adelaide could be among the first A350 destinations when Emirates receives its first aircraft in mid-2024. Darwin, capital city of Australia's Northern Territory, could become another A350 destination, according to Emirates' President Tim Clark.

Over the last few months Emirates has established and renewed interline partnerships, enabling Emirates' customers to more conveniently reach destinations beyond Emirates' own route network: A new agreement with Maldivian grants access to 16 popular holiday destinations in the Maldives on a single ticket, utilizing Maldivian's domestic network via Malé. Furthermore, Emirates renewed its interline agreement with SriLankan Airlines. On routes to 15 regional destinations operated by SriLankan Airlines from Colombo, Emirates' passengers benefit from baggage transfer and a single booking to their final destination.

Emirates also announced a significant expansion in its codeshare partnership with United Airlines. This allows customers flying to Chicago or Houston to access eight destinations in Mexico on United codeshare flights, providing more flexibility. In addition, Emirates operates a daily service to Mexico City via Barcelona.

Over the summer Emirates brought back daily A380 services to Birmingham, Nice, Shanghai, and Taipei. The airline also added flights to another twelve destinations. For the upcoming winter season Emirates announced they will add an additional five-a-week service to London Heathrow between the end of October and March 2024. As of August 2023, the airline serves the UK with 126 weekly flights including: six daily A380 flights per week to London Heathrow; three daily A380 flights per week to Gatwick; twice a week daily service to Stansted; three times a week daily A380 service to Manchester; double daily service a week to Birmingham (including daily A380 service); daily service to Newcastle and daily A380 service to Glasgow.

To meet growing travel demand to Hong Kong, Emirates has announced a third daily flight from 1 November 2023. The additional daily frequency is one of two direct services to Hong Kong, while a third operates via Bangkok.

Due to restrictions imposed on their insurance policy Emirates has no longer operated leased aircraft in and out of Russia since May 2022. This includes the Company's Aircraft. However, Emirates continues to operate its own aircraft into this jurisdiction.

ASSET MANAGER'S REPORT (continued)

Fleet

According to Emirates, its passenger aircraft fleet consisted of 116 Airbus A380 and 133 Boeing 777 at the end of September 2023. Over the last two years or so Emirates' President, Sir Tim Clark, provided multiple status updates on the likely future of the airline's A380 fleet. In February 2022 he reported on recycling efforts of the first five A380s Emirates had retired, but pointed out that these efforts will not continue with further A380s. "Cutting up the A380 fleet stops there, after these five are retired, all the other aircraft remain. In fact, where we started to drop some, I just decided to bring them back into the program." At that time Emirates aimed to extend the life of about 120 A380s and 777s by six to ten years each. On 1 November 2022 Emirates kicked off its multi-billion dollar cabin retrofit programme involving the upgrade of the entire interior cabin of 67 Airbus A380s and 53 Boeing 777-300ERs, and the installation of the airline's latest premium economy seats. All A380s earmarked for the retrofit programme are expected to be back in service by May 2024. During the first half of Emirates' 2023/24 financial year ten A380s were completely refurbished and returned to service, bringing the total number of A380s retrofitted so far to 16. The Company is not aware that any of the DNA3 Aircraft are scheduled for retrofitting. In a June 2023 interview with Bloomberg, Clark refined the timeline about the future of its A380 fleet, noting that Emirates "will keep them flying until 2032" before the airline starts to take them out of its fleet. Under the current circumstances their operation is "very profitable" for the carrier, Clark noted at that time. In November 2023 he once again extended the scheduled end of Emirates' A380 services. Now the airline intends to fly the A380 until at least 2041 due to the lack of availability of similar-sized replacement aircraft.

To maintain and improve operational efficiency and maximise fleet performance and reliability of its A380 fleet "well into the next decade", Emirates signed agreements worth over USD 1.5 billion at the 2023 Dubai Air Show. Partners such as Honeywell, Collins Aerospace, Lufthansa Technik, Gameco and others will deliver aviation aftermarket and Maintenance, Repair and Overhaul services. "Our continued commitment to and confidence in the A380 are why we are investing heavily to keep the fleet in optimal shape and pristine condition. The A380 will remain core to our network und customer proposition for the next decade, and we want to ensure our fleet is in tip-top shape", said Clark in a statement.

At the 2023 Dubai Air Show in November Emirates also added a number of aircraft to its existing order book for a combined list price value of USD 58 billion:

Boeing 777X

In November 2023 Emirates topped up an existing order for 115 Boeing 777-X, a combination of 16 777-8s and 99 777-9s, by signing a firm order for another 35 777-8s and 55 777-9s aircraft. This brings the Lessee's Boeing 777-X orderbook to a total of 205 units. Delivery of the first 777-9 from the initial order is expected towards the end of 2025, according to a statement from Tim Clark in late September 2023. Deliveries from the new 777-9 order are scheduled up until 2035. First deliveries for the slightly smaller 777-8, for which Emirates is one of the launch customers, are expected to happen in 2030.

If delivered in 2025, the Boeing 777-9 will be over five years late. Due to multiple delays and as these aircraft are destined to replace the airline's aging Boeing 777-300ER fleet, the carrier extended the lease period of 25 Boeing 777 aircraft during the 2022/23 financial year and included the aircraft type in its refurbishment programme. Currently, Tim Clark has no concerns that the delivery of the first 777-9 aircraft could slip into 2026.

With Airbus A380s and Boeing 747s no longer available for order, the Boeing 777-X is the biggest aircraft in production.

Boeing 787

During the 2023 Dubai Air Show Emirates also updated an existing order for 30 Boeing 787-9 aircraft and committed to purchasing another five. As per the latest agreement of mid-November 2023, Emirates will receive 20 Boeing 787-8s and 15 Boeing 787-10s. However, the airline did not share an updated delivery timeline.

The previously ordered 787-9 aircraft were supposed to be delivered from May 2023 onwards. But Clark does not expect the 30 Boeing 787s to join his fleet soon: Delivery of the 787 family paused for about 19 months between November 2020 and August 2022 after Boeing had identified quality issues. It only resumed after the US Federal Aviation Authority decided the airframer "had made the necessary changes to ensure that the 787 Dreamliner meets all certification standards". Deliveries paused for another few weeks in February/March 2023 over concerns connected to the aircraft's forward pressure bulkhead which were then resolved. In June 2023

ASSET MANAGER'S REPORT (continued)

Boeing announced the discovery of yet another production flaw that will require the manufacturer to inspect all 90 787 aircraft in its inventory potentially affecting the timing of near-term 787 deliveries as well.

In September 2023 Clark said, "the 787 isn't in the short-term picture at this point in time".

Airbus A350

An order of a further 15 A350-900s placed during the 2023 Dubai Air Show increases the number of A350-900 widebody aircraft ordered by Emirates to 65. The first is expected to join Emirates' fleet in August 2024. For the first 50 aircraft the airline and the manufacturer agreed on a "compressed delivery schedule" with all 50 to be delivered within a 30-month period. This should help "to pick up this big capacity hole that we can see", noted Emirates' President last year. The last aircraft of this batch are expected to be delivered in early 2028.

In late September 2023 Tim Clark confirmed that the airline was also looking at the Airbus A350-1000 "quite seriously". The A350-1000 is about seven metres longer and has more than 50 additional seats in a typical two-class configuration compared to the A350-900. However, such an order for up to 50 A350-1000s did not materialize at the Dubai Air Show in November 2023. Clark claimed the insufficient time-on-wing performance of the Rolls-Royce Trent XWB-98 engine as a major roadblock for an order. Due to the harsh environment the aircraft are operating in and at the utilization levels expected, the engine is reaching "less than a quarter" of the 2,500 engine cycles, according to Clark. Hence, Emirates is reportedly requesting guarantees for up to 2,500 engine cycles on wing and "at a maintenance cost per hour that is alright".

With a more diversified fleet, Emirates plans to add 400 destinations to its network over the next decade and expects to operate about 350 aircraft from the early 2030s onwards.

Emirates anticipates reaching its pre-Pandemic capacity by the second quarter of 2024, according to Adnan Kazim, Chief Commercial Officer of Emirates. This will include up to 97 Airbus A380s with at least 12 additional spare aircraft to cover downtime for maintenance. In total, Kazim expects that "nearly 110 Airbus A380" will have returned to service by then.

Key Financials

In the first half of its 2023/24 financial year ending on 30 September 2023, Emirates recorded a net profit of AED 9.4 billion (USD 2.6 billion), a record half-year performance for the company and 134% more than in the same period of the previous year. The airline attributes its performance to the strong passenger demand for international travel across markets and its ability to activate capacity to match demand. Revenue, including other operating income, was up 19% from last year and reached AED 59.5 billion (USD 16.2 billion).

Between 1 April and 30 September 2023 the airline carried 26.1 million passengers, a plus of 31% over the same period last year. While air cargo demand on a global level was shrinking, Emirates' SkyCargo uplifted 1,035,000 tonnes during that period, an increase of 11% over the same period last year.

During the reporting period Emirates continued to rebuild its network, e.g. restored A380 operations to seven destinations and increased its ASK capacity by 30%. At the same time its passenger traffic, measured in RPKs, increased by 35%. This resulted in an average PLF of 81.5%, an improvement of 3.0 percentage points compared to the same period last year.

Emirates' direct operating cost increased 9%: Fuel was the largest cost component amounting to 34% of the operating cost, 4 percentage points lower than in the period from April to September 2022. Higher revenues and better margins resulted in an improved EBITDA of AED 19.5 billion (USD 5.3 billion), a 33% improvement from last year's EBITDA.

As of 30 September 2023 Emirates total liabilities decreased by 8.7% to AED 118.5 billion (USD 32.2 billion) compared to the end of the previous financial year. Amongst other things, the airline repaid AED 4.9 billion (USD 1.3 billion) in bonds and term loans and paid a dividend to its shareholders in the amount of AED 3.5 billion (USD 954 million). Total equity came in at AED 42.4 billion (USD 11.6 billion), an improvement of 52% since the beginning of the current financial year. Emirates' equity ratio stood at 26.4% and its cash position, including short-term bank deposits, amounted to AED 38.2 billion (USD 10.4 billion) at the end of September

ASSET MANAGER'S REPORT (continued)

2023, slightly more than at the beginning of the current financial year. The net cash flow from operating activities came in at AED 18.4 billion (USD 5.0 billion) for the period between April and September 2023, about 11% lower than in the same period the previous year.

As at the end of September 2023, Emirates had outstanding USD debt issuances with maturities in 2025 and 2028. These bonds were trading close to par and with running yields of approximately 4.6% in USD. There has also been no significant upward pressure on yields. This level of yields does not appear to indicate any significant financial stress to the issuer. In Emirates' most recent annual financial report the auditor PricewaterhouseCoopers issued an unqualified audit report.

The management of the Emirates Group, the combined businesses of Emirates Airline and dnata, noted that "the [Emirates] Group has surpassed previous records to report our best-ever half-year performance. Our profit for the first six months of 2023-24 has nearly matched our record full year profit in 2022-23." For the second half of the current financial year Sheikh Ahmed bin Saeed Al Maktoum, Chairman and Chief Executive of Emirates Airline and Group, expects "customer demand across our business divisions to remain healthy" and identified rising fuel prices, the strengthening USD, inflationary costs, and geo-politics as potential headwinds. In late August 2023 Emirates' Chief Commercial Officer Adnan Kazim noted that "travel demand across our network has been strong and resilient despite rising cost-of-living pressure in many markets".

In late August 2023 the airline reported "one of its busiest summers ever". Between June and August Emirates carried over 14 million passengers on nearly 50,000 flights to and from 140 cities with an average seat load factor exceeding 80%.

For more and more customers Dubai is becoming their final destination: Dubai has already welcomed more than 8.5 million international visitors during the first half of 2023, a significant increase compared to over one million in the same period the year before. For the upcoming winter season, the airline anticipates another spike in demand for air travel to Dubai.

Sustainability

Emirates Airline has reinforced its commitment to environmentally responsible practices and achieved IEnvA Stage One and the IEnvA Illegal Wildlife Trade module certification. The IEnvA system is described as an industry-leading and comprehensive environmental management system. Stage One of its core scope comprises flight operations, corporate activities as well as an illegal wildlife trade module. Reflecting on Emirates recent achievements, Marie Owens Thomsen, IATA's chief economist and SVP Sustainability said: "Stakeholders including governments, financiers and business partners will know that Emirates is not just meeting global standards and best practices on sustainability but is committed to continuous improvements to stay at the forefront of sustainability."

Source: Bloomberg, Cirium, Emirates, Executive Traveller

4. Aircraft – A380

As of the end of September 2023, the global A380 fleet consisted of 220 planes with 12 airline operators, according to Ascend. 154 of these aircraft were in service. The remainder of the fleet is currently parked. The 12 operators are Emirates (121), Singapore Airlines (14), Deutsche Lufthansa (14), British Airways (12), Qantas (10), Korean Air Lines (10), Etihad Airways (10), Qatar Airways (10), Thai Airways (6), Asiana Airlines (6), Air France (4), and All Nippon Airways (3).

In December 2022 Etihad disclosed a plan to reactive four of its ten A380s for this year's summer season and in July 2023 reported the reactivation of its first A380. "The aircraft adds much needed capacity connecting Abu Dhabi with London Heathrow and allows us to build our network and increase frequencies across the network," stated Etihad chief executive Antonoaldo Neves.

In August 2023 A380 operator Qantas ordered more Boeing 787s and Airbus A350s to replace its A330s and A380s. The initial order of 12 Boeing 787s and 12 A350s is earmarked to start replacing its A330s and A380s in coming years. However, then-CEO Alan Joyce stressed that the airline's ten A380s "still have a lot of life left in them", following recent cabin upgrades. It is planned to replace them with A350-1000s from 2032. Currently, Qantas has eight A380s in service with the final two set to return from storage before the end of the year.

In September 2023 Lufthansa confirmed plans to return the last two of its eight remaining A380s to service in 2024-25. They will be based in Munich along with the rest of the fleet. A month earlier the airline had disclosed its plans to reactivate at least six aircraft.

ASSET MANAGER'S REPORT (continued)

Currently, three aircraft are in service covering transatlantic destinations like Boston and New York JFK. From October the airline's post-Pandemic A380 network will be extended to Los Angeles and Bangkok.

Also in September 2023 Lufthansa revealed plans to keep its A380s in service until at least the early 2030s – far longer than originally planned. "It depends on demand and when Airbus and Boeing are able to deliver other airplanes", said Lufthansa CEO Carsten Spohr. With many years to go, all eight A380s are scheduled to be retrofitted with Allegris, the airline's latest business class cabin. The A380 fleet will be deployed on routes to North America and Asia.

Thai Airways has put all of its six A380s up for sale in "as-is, where-is" condition. The airline has sent out an invitation to interested parties with the opportunity to bid. However, a sale is subject to the final approval of Thai's Plan Administrator as the sale is conducted under The Bankruptcy Court's order.

While the post-Pandemic rebound in air travel has triggered demand for aircraft and resulted in an uptick of market values for some aircraft types, the A380 has not yet benefitted to the same extent. Due to the significant number of A380s still in storage it is less likely that this will change soon.

Source: AeroTime, Cirium, Simple Flying

DIRECTORS

As at 30 September 2023, the Company had four directors, all of whom were independent and non-executive.

Andreas Tautscher - Chair of the Company and of the Management Engagement Committee

Andreas Tautscher brings over 34 years' financial services experience. He is also a non-executive director of Globalworth PLC which is an AIM listed Central European property Group. He is an independent director of Northern Trust Guernsey Limited, Condor Ferries Limited and a number of private investment companies. Andreas is a director of Arolla Partners, an independent director services business in the Channel Islands. From 1994 to 2018 Andreas held various roles at Deutsche Bank and was most recently CEO of the Deutsche Bank International and Head of Financial Intermediaries for EMEA and LATAM. He was previously a non-executive director of the Virgin Group. Andreas qualified as a Chartered Accountant in 1994.

Andreas Tautscher stepped down as Chair of the Company's Nomination Committee with effect from 11 October 2023, stepping down as part of the Company's succession plan.

Andreas is also Chair of the AR Committee of Doric Nimrod Air Two Limited, Chair of its Management Engagement Committee and a director of Doric Nimrod Air One Limited. He is resident in Guernsey.

Geoffrey Hall

Geoffrey Hall has extensive experience in asset management, having previously been Chief Investment Officer of Allianz Insurance plc, a major UK general insurance company and an investment manager at HSBC Asset Management, County Investment Management, and British Railways Pension Funds. Geoffrey is also a director and Chair of the Nomination Committee of Doric Nimrod Air Two Limited.

Geoffrey Hall stepped down as Chair of Doric Nimrod Air Two Limited with effect from 1 March 2023.

Geoffrey earned his master's degree in Geography at the University of London and is an associate of the CFA Society of the UK. He is resident in the UK.

Fiona Le Poidevin - Chair of the AR Committee

A Chartered Director, Fellow of the Institute of Directors and Chartered Accountant (FCA), Fiona is a non-executive director with 25 years' experience working in financial services in both London and the Channel Islands across the accounting and tax professions with experience in strategy, marketing, PR and the regulatory and listed company environments. Among her appointments, Fiona is director and Audit Chair of the audit committee of Sequoia Economic Infrastructure Income Fund Limited, a FTSE 250 company and of ICG-Longbow Senior Secured UK Property Debt Investments Limited, both premium listed companies with shares admitted to trading on the Main Market of the LSE. In addition to her appointment with the Company, Fiona is also a director of Doric Nimrod Air Two Limited, a company admitted to trading on the SFS of the LSE.

Until the end of July 2020, Fiona was Chief Executive Officer of The International Stock Exchange Group Limited where she was responsible for the commercial aspects of the listed exchange group's operation. Previously Fiona was Chief Executive of Guernsey Finance, the promotional body for Guernsey's finance industry internationally, and prior to this she was an auditor and latterly tax adviser at PwC (London and Channel Islands) and KPMG (Channel Islands) for over 13 years. Fiona is a member of the AIC Channel Islands Committee and Chair of a local Sea Scouts group. She is resident in Guernsey.

DIRECTORS (continued)

Theresa Oldham

Theresa is a non-executive director with over 30 years' experience in the aircraft finance and leasing industry. Having trained and spent her early career as a solicitor in the City of London, Theresa moved into the industry where she held a number of senior positions, most recently and until 2019, as Group Director of Aircraft Finance and Leasing for Thomas Cook Group plc where she was responsible for all related activities for the Group's international fleet of aircraft.

Since 2020, Theresa has been providing aviation consultancy services and maintains a practicing certificate as a solicitor in England and Wales. She is resident in the United Kingdom.

Theresa was appointed as Chair of the Nomination Committee of the Company effective 11 October 2023.

Theresa is also a director of Doric Nimrod Air Two Limited and Chair of its Nomination Committee.

Charles Wilkinson

Charles Wilkinson resigned as Director of the Company effective 31 July 2023.

INTERIM MANAGEMENT REPORT

A description of important events which have occurred during the Period, their impact on the performance of the Group as shown in the Consolidated Financial Statements and a description of the principal risks and uncertainties facing the Group is given in the Chair's Statement, Asset Manager's Report, and the Notes to the Consolidated Financial Statements contained on pages 24 to 43 and are incorporated here by reference.

There were no material related party transactions which took place in the Period, other than those disclosed at note 23 of the Notes to the Financial Statements.

Principal Risks and Uncertainties
The principal risks and uncertainties faced by the Company for the remaining six months of the financial year are unchanged from those disclosed in the Company's Consolidated Annual Financial Report for the year ended 31 March 2023. The Board continues to appropriately monitor the risks on a regular basis.

The risks set out below are those which are considered to be the material risks relating to an investment in the Shares but are not the only risks relating to the Shares or the Group. Additional risks and uncertainties of which the Group is presently unaware or that the Group currently believes are immaterial may also adversely affect its business, financial condition, results of operations or the value of the Shares.

The principal risks associated with the Group are:

- **Operational risk**: The Board is ultimately responsible for all operational facets of performance including cash management, asset management, regulatory and listing obligations. The Group has no employees and so enters into a series of contracts/legal agreements with a series of service providers to ensure both operational performance and the regulatory obligations are met. This risk has been mitigated by the Group using well established, reputable and experienced service providers and assessing service providers' continued appointment on at least an annual basis.

- **Investment risk**: There are a number of risks associated with the Group's Assets in relation to the occurrence of technical faults with the Assets or actions by third parties causing both damage to the Assets and also damaging the demand for global air travel. This risk has been mitigated by the Lessee's contractual responsibility to insure, repair and maintain the Aircraft for the duration of the Leases.

- **Borrowings and financing risk**: There is a risk that the Group is exposed to fluctuations in market interest rates and foreign exchange rates. This risk has been mitigated by ensuring that debt repayments are made from lease rental revenues received in the matching currency and by fixing the interest rates on debt and lease rentals.

- **Credit risk**: Emirates is the sole lessee of the Assets and is headquartered in the Middle East. Should Emirates default on the rental payments due to domestic events, events in the wider airline industry or other reasons it is unlikely the Company will be able to meet its targeted dividends or, in the case of ongoing default, continue as a going concern. The risk of default is potentially mitigated by the ability of the Group to sell or re-lease the Assets in the event of a single default, together with the financial position of Emirates. However, this could be impacted by market conditions at the time. The Board monitors the financial performance of Emirates on an ongoing basis.

- **Secondary market risk**: There is a risk that the Group would not be able to achieve the projected resale value of the Assets due to i) changes in demand for second hand aircraft of the type owned by the Group, ii) the limited number of airlines operating the aircraft type, and iii) an increasing trend for airlines to operate newer generation aircraft that are more efficient and whose engine costs are substantially less. Therefore, the Board monitors and revises the residual value of the Aircraft on an annual basis based on reports received from three independent appraisers, who consider these market trends in their aircraft valuations.

- **Aircraft preservation risk:** In the case that the Aircraft are returned and there are not yet secondary leases in place or an agreement to sell immediately, there is a risk that the Company would need to utilise financial resources to cover storage costs, preservation of the aircraft whilst in storage, and maintain insurance on the aircraft though this would be a smaller cost as the aircraft would not be flying. The risk is mitigated by ensuring proactive engagement with the Group's Lessee so that the end of

INTERIM MANAGEMENT REPORT (continued)

lease situation is known and planned for well in advance of the expiry date. The Board also maintains a healthy cash position from rentals received which is not paid out as regular dividend in order to facilitate end of lease planning.

Going Concern

The Group's principal activities are set out within note 1. The financial position of the Group is set out on page 21. In addition, note 20 to the Consolidated Financial Statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposures to credit risk and liquidity risk.

The Directors, with the support of its asset manager, believe that it is reasonable to assume as at the date of approval of the Consolidated Financial Statements that Emirates will continue with the contracted lease rental payments due to the following:

- Emirates continues to be a going concern as at the date of the Lessee's latest audited annual financial report for the financial year ended 31 March 2023.

- In the first half of its 2023/24 financial year ending on 30 September 2023, Emirates reported an increase in revenue, including other operating income, of 19% to USD 16.2 billion compared to the same period last year. The net profit increased by 134% to USD 2.6 billion and marks a record half-year performance for Emirates Airline.

- The cash flow from operating activities came in at USD 5.0 billion. Emirates ended the first half of its 2023/24 financial year with USD 10.4 billion in cash assets (including bank deposits), an increase of 2.3% since the beginning of the current financial year.

- Emirates' listed debt and CDSs are trading at non-distressed levels.

- As at the date of the Consolidated Financial Statements, the Board is not aware of a formal request to the Group for a lease deferral or any other efforts that would result in the restructuring of the existing transaction.

- Emirates has paid all lease rentals due to the Group in a timely manner.

- Emirates' senior management expects the Lessee to remain profitable during the current financial year.

The Directors have considered Emirates' ability to continue paying the lease rentals and are satisfied that the Company can meet its liabilities as they fall due over the next twelve months from the date of approval of the Unaudited Interim Financial Report. Refer to note 12 for expiry dates of the Leases.

The Directors consider that the going concern basis of accounting remains appropriate. Based on current information the Directors have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, although the risk to this is higher compared to a pre-Pandemic environment.

The Board will continue to actively monitor the financial impact on the Group from the evolving position with its Lessee and debt providers whilst bearing in mind its fiduciary obligations and the requirements of Guernsey law which determine the ability of the Group to make dividends and other distributions.

RESPONSIBILITY STATEMENT

The Directors are responsible for preparing the Unaudited Interim Financial Report in accordance with the DTR of the UK's FCA.

In preparing the Consolidated Financial Statements included within the Unaudited Interim Financial Report, the directors are required to:

- prepare and present the consolidated financial statements in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK, and the DTR of the UK FCA;
- ensure the consolidated financial statements has adequate disclosures;
- select and apply appropriate accounting policies; and
- make accounting estimates that are reasonable in the circumstances.
- assess 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 Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of the Consolidated Financial Statements that is free from material misstatement whether due to fraud or error.

We confirm that to the best of our knowledge:

1 the Consolidated Financial Statements included within the Unaudited Interim Financial Report of Doric Nimrod Air Three Limited for the six months ended 30 September 2023 ("the Interim Financial Information") which comprises consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and the related explanatory notes, have been presented and prepared in accordance with IAS 34, Interim Financial Reporting, as adopted for use in the UK, and the DTR of the UK FCA.

2. The Interim Financial Information presented, as required by the DTR of the UK FCA, includes:

   a. an indication of important events that have occurred during the first 6 months of the financial year, and their impact on the financial statements;

   b. a description of the principal risks and uncertainties for the remaining 6 months of the financial year;

   c. related parties' transactions that have taken place in the first 6 months of the current financial year and that have materially affected the financial position or the performance of the enterprise during that period; and

   d. any changes in the related parties' transactions described in the last annual report that could have a material effect on the financial position or performance of the enterprise in the first 6 months of the current financial year.

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

Signed on behalf of the Board of Directors of the Company.

Andreas Tautscher **Chair**	**Fiona Le Poidevin** **Director**

14 December 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period 1 April 2023 to 30 September 2023

	Notes	1 Apr 2023 to 30 Sep 2023 GBP	1 Apr 2022 to 30 Sep 2022 GBP
INCOME			
A rent income	4	28,326,586	29,563,406
B rent income	4	10,264,236	10,236,192
		38,590,822	39,799,598
EXPENSES			
Operating expenses	5	(952,454)	(902,829)
Depreciation of Aircraft	10	(13,655,707)	(15,561,924)
		(14,608,161)	(16,464,753)
Net profit for the Period before finance costs and foreign exchange gains/(losses)		23,982,661	23,334,845
Finance income		106,055	6,891
Finance costs	11	(275,917)	(2,673,132)
Net profit for the Period after finance costs before foreign exchange gains/(losses)		23,812,799	20,668,604
Net foreign exchange gains/(losses)	7	196,884	(8,664,313)
Profit for the Period		24,009,683	12,004,291
Total Comprehensive Profit for the Period		24,009,683	12,004,291

		Pence	Pence
Earnings per Share for the Period – Basic and Diluted	9	10.91	5.46

In arriving at the results for the Period, all amounts above relate to continuing operations.

The notes on pages 24 to 43 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Notes	30 Sep 2023 GBP	31 Mar 2023 GBP
NON-CURRENT ASSETS			
Property, Plant and Equipment – Aircraft	10	180,601,864	194,257,571
CURRENT ASSETS			
Receivables	13	218,898	147,823
Cash and cash equivalents	18	13,902,841	13,692,410
Short-term investments		297,052	474,385
		14,418,791	14,314,618
TOTAL ASSETS		195,020,655	208,572,189
CURRENT LIABILITIES			
Borrowings	15	–	24,136,245
Deferred income		52,055,984	30,128,010
Rebates	16	–	189,818
Payables – due within one year	14	61,720	88,894
		52,117,704	54,542,967
NON-CURRENT LIABILITIES			
Deferred income		56,731,620	82,792,574
		56,731,620	82,792,574
TOTAL LIABILITIES		108,849,324	137,335,541
TOTAL NET ASSETS		86,171,331	71,236,648
EQUITY			
Share capital	17	208,953,833	208,953,833
Retained loss		(122,782,502)	(137,717,185)
		86,171,331	71,236,648

	Pence	Pence
Net Asset Value per Share based on 220,000,000 (31 March 2023: 220,000,000) shares in issue	39.17	32.38

The Consolidated Financial Statements were approved by the Board of Directors and authorised for issue 14 December 2023 and are signed on its behalf by:

Andreas Tautscher
Director

Fiona Le Poidevin
Director

The notes on pages 24 to 43 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period 1 April 2023 to 30 September 2023

OPERATING ACTIVITIES	Notes	1 Apr 2023 to 30 Sep 2023 GBP	1 Apr 2022 to 30 Sep 2022 GBP
Profit for the Period		24,009,683	12,004,291
Movement in deferred income		(4,132,976)	(5,420,676)
Finance income		(106,055)	(6,891)
Depreciation of Aircraft	10	13,655,707	15,561,924
Loan interest payable	11	196,319	1,613,555
Decrease in payables		(27,174)	(19,874)
Increase in receivables		(71,075)	(107,916)
Foreign exchange movement	7	(196,884)	8,664,313
Amortisation of debt arrangement costs	11	79,598	1,059,577
NET CASH GENERATED FROM OPERATING ACTIVITIES		33,407,143	33,348,303
INVESTING ACTIVITIES			
Finance income received		106,055	6,891
Reduction in Short-term investments		177,333	–
NET CASH GENERATED FROM INVESTING ACTIVITIES		283,388	6,891
FINANCING ACTIVITIES			
Dividends paid	8	(9,075,000)	(9,075,000)
Repayments of capital on borrowings	21	(24,209,370)	(22,817,271)
Interest on borrowings	21	(200,518)	(1,501,546)
NET CASH USED IN FINANCING ACTIVITIES		(33,484,888)	(33,393,817)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		13,692,410	13,976,504
Net increase in cash and cash equivalents before foreign exchange gains		205,643	(38,623)
Effects of foreign exchange rates		4,788	152,133
CASH AND CASH EQUIVALENTS AT END OF PERIOD	18	13,902,841	14,090,014

The notes on pages 24 to 43 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 April 2023 to 30 September 2023

	Notes	Share Capital GBP	Retained Loss GBP	Total GBP
Balance as at 1 April 2023		208,953,833	(137,717,185)	71,236,648
Total Comprehensive Profit for the Period		–	24,009,683	24,009,683
Dividends paid	8	–	(9,075,000)	(9,075,000)
Balance as at 30 September 2023		208,953,833	(122,782,502)	86,171,331

		Share Capital GBP	Retained Loss GBP	Total GBP
Balance as at 1 April 2022		208,953,833	(149,138,541)	59,815,292
Total Comprehensive Profit for the Period		–	12,004,291	12,004,291
Dividends paid	8	–	(9,075,000)	(9,075,000)
Balance as at 30 September 2022		208,953,833	(146,209,250)	62,744,583

The notes on pages 24 to 43 form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 April 2023 to 30 September 2023

1 GENERAL INFORMATION

The Consolidated Interim Financial Statements incorporate the results of the Company and its Subsidiary (together known as the Group).

The Company was incorporated in Guernsey on 29 March 2012 with registered number 54908. The address of the registered office is given on page 44. Its Share Capital consists of Shares and Administrative Shares. The Company’s Shares have been admitted to trading on the SFS of the LSE Main Market.

The Company’s investment objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then selling aircraft. The principal activities of the Company are set out in the Chair’s Statement and Management Report on pages 6 to 7 and 17 to 18 respectively.

2 ACCOUNTING POLICIES

The significant accounting policies adopted by the Group are as follows:

(a) Basis of Preparation

These unaudited Condensed Interim Financial Statements have been prepared in accordance with IAS 34, “Interim Financial Reporting”, as required by DTR 4.2.4R of the UK’s FCA, with the Listing Rules of the LSE and with applicable legal and regulatory requirements. They do not include all the information and disclosures required in Annual Financial Statements and should be read in conjunction with the Group’s audited Annual Financial Report for the year ended 31 March 2023. The accounting policies applied in these Financial Statements are consistent with those applied in the audited Annual Financial Report for the year ended 31 March 2023, which were prepared in accordance with IFRS, as issued by the IASB.

The financial statements have been prepared on a going concern basis under the historical cost basis except for financial assets and financial liabilities recognised at FVTPL.

(b) Adoption of new and revised Standards

New and amended IFRS Standards that are effective for current period

The following Standard and Interpretations have been adopted in the current period. Their adoption has not had a material impact on the amounts reported in these financial statements and is not expected to have any impact on future financial periods except where stated otherwise:

Amendments to IAS 1‘Presentation of financial statements’ and IAS 8 ‘Accounting policies, changes in accounting estimates and error’ on definition of material. The effective date is for annual periods beginning on or after 1 January 2023. These amendments to IAS 1, IAS 8 and consequential amendments to other IFRSs:

- use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting;
- clarify the explanation of the definition of material; and
- incorporate some of the guidance in IAS 1 about immateriality information.

Definition of Accounting Estimates (Amendments to IAS 8) – The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

2 ACCOUNTING POLICIES (continued)

(b) Adoption of new and revised Standards (continued)

New and amended IFRS Standards that are effective for current period (continued)

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 – The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

New and Revised Standards in issue but not yet effective

The following Standard and Interpretations have been issued but not yet effective. Their adoption has not had a material impact on the amounts reported in these financial statements and is not expected to have any impact on future financial periods except where stated otherwise:

Classification of Liabilities as Current or Non-current – Deferral of Effective Date (Amendment to IAS 1) – The amendment defers the effective date of the January 2020 amendments to IAS 1 to no earlier than January 1, 2024, so that entities would be required to apply the amendment for annual periods beginning on or after 1 January 2024.

(c) Basis of Consolidation

The consolidated financial information incorporates the results of the Company and the Subsidiaries. The Company owns 100% of all the shares in the Subsidiaries which grants it exposure to variable returns from the entities and the power to affect those returns, granting it control in accordance with IFRS 10.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial information.

(d) Taxation

The Company and its Subsidiary have been assessed for tax at the Guernsey standard rate of 0 percent.

(e) Share Capital

Shares are classified as equity. Incremental costs directly attributable to the issue of Shares are recognised as a deduction from equity.

(f) Expenses

All expenses are accounted for on an accruals basis.

(g) Finance Income

Finance income relates to bank interest and is accounted for on an accruals basis.

(h) Foreign Currency Translation

The currency of the primary economic environment in which the Company operates (the “functional currency”) is GBP, £ or Sterling, which is also the Group’s presentation currency.

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency applying the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

2 ACCOUNTING POLICIES (continued)

(i) Cash and Cash Equivalents

Cash at bank and short-term deposits which are held to maturity are carried at cost. Cash and cash equivalents are defined as call deposits, short-term deposits with a term of no more than three months from the start of the deposit and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

(j) Segmental Reporting

The directors are of the opinion that the Group is engaged in a single segment of business, being acquiring, leasing and then selling of the Aircraft.

As the lessee is based in the Middle East, rental income as well as the net book value of aircraft held by the Group is all considered to be from the Middle East. Revenue from the Group's country of domicile, Guernsey, was £Nil (2023: £Nil)

(k) Going Concern

The Group's principal activities are set out within note 1. The financial position of the Group is set out on page 21. In addition, note 20 to the Consolidated Financial Statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposures to credit risk and liquidity risk.

The Board of Directors, with the support of its Asset Manager, believe that it is reasonable to assume as of date of approval of the Consolidated Financial Statements that Emirates will continue with the contracted lease rental payments due to the following:

– Emirates continues to be a going concern as at the date of the Lessee's latest audited annual financial report for the financial year ended on 31 March 2023.

– In the first half of its 2023/24 financial year ending on 30 September 2023, Emirates reported an increase in revenue, including other operating income, of 19% to USD 16.2 billion compared to the same period last year. The net profit increased by 134% to USD 2.6 billion and marks a record half-year performance for Emirates Airline.

– The cash flow from operating activities came in at USD 5.0 billion. Emirates ended the first half of its 2023/24 financial year with USD 10.4 billion in cash assets (including bank deposits), an increase of 2.3% since the beginning of the current financial year.

– Emirates' listed debt and CDSs are trading at non-distressed levels.

– As at the date of the Consolidated Financial Statements, the Board is not aware of a formal request to the Group for a lease deferral or any other efforts that would result in the restructuring of the existing transaction.

– Emirates has paid all lease rentals due to the Group in a timely manner.

– Emirates' senior management expects the lessee to remain profitable during the current financial year.

The directors have considered Emirates' ability to continue paying the lease rentals until the end of the longest running lease agreement in October 2025 and are satisfied that the Group can meet its liabilities as they fall due over the next twelve months from the date of approval of the Unaudited Interim Financial Report. Refer to note 12 for expiry dates of the Leases.

The directors consider that the going concern basis of accounting remains appropriate. Based on current information the directors have reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements.

The Board will continue to actively monitor the financial impact on the Group from the evolving position with its Lessee and debt providers, whilst bearing in mind its fiduciary obligations and the requirements of Guernsey law which determine the ability of the Group to make dividends and other distributions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

2 ACCOUNTING POLICIES (continued)

(l) Leasing and Rental Income

The Leases relating to the Assets have been classified as operating leases as the terms of the Leases do not transfer substantially all the risks and rewards of ownership to the Lessee. The Assets are shown as non-current assets in the Consolidated Statement of Financial Position. Further details of the Leases are given in note 12.

Rental income and advance lease payments from operating leases are recognised on a straight-line basis over the term of the relevant Lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased Asset and amortised on a straight-line basis over the lease term.

The deferred and accrued income represents the difference between actual payments received in respect of the lease income (including some received in full upfront) and the amount to be accounted for in the accounting records on a straight-line basis over the lease terms. This liability will reduce over time as the leases continue and approach the end of the lease terms.

(m) Property, Plant and Equipment – Aircraft

In line with IAS 16, each Asset is initially recorded at the fair value of the consideration paid. The cost of the Asset is made up of the purchase price of the Asset plus any costs directly attributable to bringing it into working condition for its intended use. Costs incurred by the Lessee in maintaining, repairing or enhancing the Aircraft are not recognised as they do not form part of the cost to the Group. Property, plant, and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Accumulated depreciation and any recognised impairment losses are deducted from cost to calculate the carrying amount of the Asset.

Subsequently, depreciation is recognised so as to write off the cost of each Asset less the estimated residual value over the estimated useful life of the Asset of 12 years, using the straight-line method. The estimated residual value of the four planes ranges from £31 million to £31.4 million (2022: £30.2 million to £30.8 million). Residual values have been arrived at by taking the average amount of three independent external valuers and after taking into account disposition fees where applicable. The residual values of the A380 Aircraft were determined using soft values excluding inflation, which best approximates residual value as required by IAS 16.

The depreciation method reflects the pattern of benefit consumption. The residual value is reviewed regularly and is an estimate of the fair amount the entity would receive today. Useful life is also reviewed regularly and, for the purposes of the financial statements represents the likely period of the Group's ownership of these Assets. Depreciation starts when the Asset is available for use.

The Group regularly reviews whether the carrying values of the Aircraft are appropriate. Quarterly the Board receives an update on the performance of Emirates Airline and whether there are any concerns over their viability from the advisors. The Board also receives regular updates on the market for A380 aircraft and whether there are any moves by Emirates or others that would make the A380 more or less attractive at that time (and therefore influence value). If any such indication exists, the recoverable amount of the Asset is estimated to determine the extent of the impairment loss (if any). Further details are given in note 3.

Recoverable amount is the higher of fair value less costs to sell and the VIU. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the Asset for which the estimates of future cash flows have not been adjusted.

An impairment loss exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

2 ACCOUNTING POLICIES (continued)

(n) Financial instruments

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised if the Group’s contractual rights to the cash flows from the financial assets expire, are extinguished, or if the Group transfers the financial assets to a third party and transfers all the risks and rewards of ownership of the Asset, or if the Group does not retain control of the asset and transfers substantially all the risk and rewards of ownership of the Asset.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at:

– Amortised cost;

– FVOCI; or

– 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 Group only has financial assets that are classified at amortised cost.

i) Financial assets held at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

– it is held within a business model whose objective is to hold assets to collect contractual cash flows; 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.

ii) Financial liabilities held at amortised cost

Financial liabilities consist of payables and borrowings. The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All financial liabilities are initially measured at fair value, net of transaction costs. All financial liabilities are recorded on the date on which the Group becomes party to the contractual requirements of the financial liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of the financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or they expire.

(o) Dividend policy

Dividends are accounted for in the period which they are declared and approved by the Board.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

Estimates

Residual Value and Useful Life of Aircraft

As described in note 2 (m), the Group depreciates the Assets on a straight-line basis over the estimated useful life of the Assets after taking into consideration the estimated residual value.

IAS 16 requires residual value to be determined as an estimate of the amount that the Group would currently obtain from the disposal of the Asset, after deducting the estimated costs of disposal, if the Asset were of the age and condition expected at the end of its useful life. The residual values of the A380 Aircraft are determined using soft values excluding inflation since directors consider this best approximates to residual value as required by IAS 16.

In estimating residual value for the year, the directors refer to future soft values (excluding inflationary effects) for the Asset obtained from three independent expert aircraft valuers.

The Group's future performance is potentially subject to wider economic uncertainty and disruption caused in part by geo-political uncertainty. This together with the wider economic uncertainty, disruption and illiquid market for the A380, are likely to have an adverse impact on the future value of the aircraft assets owned by the Group, as well as on the sale, re-lease, or other disposition of the relevant aircraft. Therefore the estimation of residual value remains subject to material uncertainty.

The sensitivity of profit/loss for the Period and shareholder equity to a 10% increase or decrease in estimated residual values and fair value less selling costs is discussed on page 30.

Impairment

As described in note 2(m), an impairment loss exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its VIU. The Group regularly reviews the carrying amount of its Assets and monitor the Assets for any indications of impairment as required by IAS 16 Property, Plant and Equipment and IAS 36 Impairment of Assets.

The ongoing impact of the Pandemic on the business of airlines (and indirectly aircraft values), along with the credit risk profile of the Group's Lessee resulted in an impairment review in the year ended 31 March 2023 by the Board together with the Asset Manager as the Pandemic might have resulted in pricing changes for the Aircraft.

Based on the impairment review performed, an impairment loss of £7,576,007 was recognised in the 31 March 2023 year, which resulted in an updated carrying value of the Aircraft in total to £194,257,571 at that year end, as reflected in note 10.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

Impairment (continued)

Following discussions between the Board and the Asset Manager and having performed an impairment review of the Group's Assets and Lessee for the period ending 30 September 2023, it was determined that during the six months that have passed since 31 March 2023, there have been no significant developments within the market that would materially impact the value of the Group's assets, such as i) another wave of COVID, ii) increased lockdown/travel restrictions, iii) increased aircraft retirements or iv) introduction of new technology that would lead to increased competition.

Further, an assessment was made that notwithstanding global events such as the Israel- Palestine Conflict and a higher inflation and interest rate environment, the Lessee would continue to meet its contractual commitments and make rental payments in a timely manner such that the operations of the airline and by extension the value of the Group's Assets have not been materially impacted.

Finally consideration was given as to whether recent transactions involving A380s have had a bearing on the value of the Group's assets. However it was concluded that, since each of these transactions had their own specific circumstances differing to those of the Group, a simple inference cannot be made that those transactions have impacted the value of the Group's assets.

On the basis of these considerations, a judgement was made that the impairment charge as at 30 September 2023 should be £nil.

The Group regularly reviews whether the carrying values of the Aircraft are appropriate. Quarterly the Board receives an update on the performance of Emirates Airline and whether there are any concerns over their viability from the advisors. The Board also receives regular updates on the market for A380 aircraft and whether there are any actions by Emirates or others that would make the A380 more or less attractive at that time (and therefore influence value).

Sensitivity analysis

If the estimate of uninflated residual value for use in calculating depreciation had been decreased by 10 percent (30 September 2022: 30 percent) with effect from the beginning of this Period, the depreciation charge for the Period would have increased by approximately £1.77 million (30 September 2022: £6.03 million) resulting in a reduction in profit for the Period and closing equity by £1.77 million.

An increase in residual value by 10 percent would have had an equal but opposite effect. This reflects the range of estimates of residual value that the directors believe would be reasonable at this time. The useful life of each Asset, for the purpose of depreciation of the Asset under IAS 16, is estimated based on the expected period for which the Group will own and lease the Aircraft. The Board of Directors expects that the Aircraft will have a working life in excess of this period.

Judgements

Operating Lease Commitments – Group as Lessor

The Group has entered into operating leases on four (31 March 2023: four) Assets. The Group has determined, based on an evaluation of the terms and conditions of the arrangement, including consideration of the useful life versus the useful economic life of the aircraft, that it retains all the significant risks and rewards of ownership of these Assets as well as assumes the entirety of the residual value risk, and accounts for the contracts as operating leases.

Functional Currency

The currency of the primary economic environment in which the Group operates (the functional currency) is GBP, which is also the presentation currency.

Considering the primary indicators as per IAS 21, it is unclear what the functional currency is. However after taking into consideration the secondary indicators which are as follows, the directors are of the opinion that the functional currency is GBP

- the Group's share capital was issued in GBP;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

Functional Currency (continued)

- its dividends are paid to Shareholders in GBP, and that certain of the Group's significant operating expenses as well as portion of the Groups' rental income are incurred/earned in GBP;
- Lease rentals that are received in USD (as per note 4 and 12) are used to pay the USD loan payments on the USD denominated debt.
- Although a significant portion of the rental receipts and borrowings are denominated in USD, this is only because the aviation industry uses USD as its benchmark currency. As such, borrowings have been denominated in USD. So in order to hedge for foreign currency risk, significant portion of the rental income is also received in USD.
- In addition, the set-up of the leasing structures was designed to offer a GBP return to GBP investors.

4 RENTAL INCOME

	1 Apr 2023 to 30 Sep 2023 GBP	1 Apr 2022 to 30 Sep 2022 GBP
A rent income	24,221,656	24,142,733
Adjustment to spread total income receivable over the term of the lease	2,625,259	3,990,430
Amortisation of advance rental income	1,596,602	1,592,239
Deduction of rebate monies	(116,931)	(161,996)
	28,326,586	29,563,406
B rent income	10,236,192	10,236,193
Adjustment to spread total income receivable over the term of the lease	28,044	(1)
	10,264,236	10,236,192
Total rental income	38,590,822	39,799,598

Rental income is derived from the leasing of the Assets. Rent is split into A rent, which is received in US dollars and B rent, which is received in Sterling. Rental income received in US dollars is translated into the functional currency (Sterling) at the date of the transaction. The adjustment to spread income received in US dollars over the term of the lease has been credited to rental income in Sterling using foreign exchange rates prevailing on the dates the advanced rental income was originally received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

5 OPERATING EXPENSES

	1 Apr 2023 to 30 Sep 2023 GBP	1 Apr 2022 to 30 Sep 2022 GBP
Corporate shareholder and advisor fee (note 23)	256,016	249,772
Asset management fee (note 23)	345,623	337,193
Liaison agent fee (note 23)	38,403	37,466
Administration fees (note 23)	37,841	40,724
Bank interest and charges	430	381
Accountancy fees (note 23)	14,467	14,114
Registrar fees (note 23)	8,304	8,849
Audit fee	20,000	18,447
Directors' remuneration (note 6)	66,625	51,000
Directors' and officers' insurance	145,847	113,351
Legal and professional expenses	8,547	9,338
Annual fees	–	929
Other operating expenses	10,351	21,265
	952,454	902,829

6 DIRECTORS' REMUNERATION

Under their terms of appointment, each director was paid a fee of £30,000 (30 September 2022: £23,000) per annum by the Group, except for the Chair, who received £37,000 (30 September 2022: £29,000) per annum and the Chair of Audit committee, who received £34,500 (30 September 2022: £27,000) per annum. The increase was effective 1 July 2023.

7 NET FOREIGN EXCHANGE (GAINS) / LOSSES

	1 Apr 2023 to 30 Sep 2023 GBP	1 Apr 2022 to 30 Sep 2022 GBP
Cash at bank	4,788	152,131
Borrowings	190,509	(8,755,794)
Rebates	1,587	(60,650)
	196,884	(8,664,313)

The foreign exchange loss in the Period reflects the 1.13 percent movement in the Sterling/US dollar exchange rate from 1.2337 as at 31 March 2023 to 1.21996 as at 30 September 2023.

8 DIVIDENDS IN RESPECT OF EQUITY SHARES

	1 Apr 2023 to 30 Sep 2023	
	GBP	Pence per Share
First interim dividend	4,537,500	2.06
Second interim dividend	4,537,500	2.06
	9,075,000	4.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

8 DIVIDENDS IN RESPECT OF EQUITY SHARES (continued)

	1 Apr 2022 to 30 Sep 2022 GBP	Pence per Share
First interim dividend	4,537,500	2.06
Second interim dividend	4,537,500	2.06
	9,075,000	4.12

Refer to the Subsequent Events in note 24 in relation to dividends declared and paid after Period end.

9 EARNINGS PER SHARE

Earnings per share is based on the net profit for the Period attributable to holders of Shares in the Company of £24,009,683 (30 September 2022: £12,004,291) and 220,000,000 (30 September 2022: 220,000,000) Shares being the weighted average number of Shares in issue during the Period.

There are no dilutive instruments and therefore basic and diluted earnings per share are identical.

10 PROPERTY, PLANT AND EQUIPMENT – AIRCRAFT

	Aircraft 30 Sep 2023 GBP	Aircraft 31 Mar 2023 GBP
COST		
Opening balance	618,050,915	618,050,915
Closing balance	618,050,915	618,050,915
ACCUMULATED DEPRECIATION AND IMPAIRMENT		
As at 1 April	423,793,344	386,047,223
Depreciation charge based on previous residual values	13,655,707	31,038,810
Adjustment due to change in US dollar residual values	–	1,262,521
Adjustment due to FX movements on residual values	–	(2,131,217)
Net depreciation charge for the period	13,655,707	30,170,114
Adjustment due to impairment	–	7,576,007
As at period end	437,449,051	423,793,344
CARRYING AMOUNT		
Closing balance	180,601,864	194,257,571

The Group is depreciating its Aircraft so as to ensure that the carrying value of its Aircraft at the termination of its lease equals the uninflated residual dollar value determined at 31 March 2023 in accordance with methodology set out in note 3, translated into Sterling at the exchange rate prevailing at 31 March 2023.

All Assets are subject to operating leases. The Group can sell the Assets during the term of the Leases (with the Lease attached and in accordance with the terms of the transfer provisions contained therein).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

10 PROPERTY, PLANT AND EQUIPMENT – AIRCRAFT (continued)

Under IFRS 16 the direct costs attributed in negotiating and arranging the operating leases have been added to the carrying amount of the leased Asset and therefore are being recognised as an expense over the lease term. The costs have been allocated to each Aircraft based on the proportional cost of the Asset.

Refer to note 3 for details on the impairment review, sensitivities conducted and residual value assumptions and estimates

11 FINANCE COSTS

	30 Sep 2023 GBP	30 Sep 2022 GBP
Amortisation of debt arrangements costs	79,598	1,059,577
Interest payable	196,319	1,613,555
	275,917	2,673,132

12 OPERATING LEASES

The amounts of minimum future lease receipts at the reporting date under non-cancellable operating leases are detailed below:

	30 September 2023		31 March 2023	
	Aircraft- A rental receipts GBP	Aircraft- B rental receipts GBP	Aircraft- A rental receipts GBP	Aircraft- B rental receipts GBP
Year 1	–	20,472,384	24,420,524	20,472,384
Year 2	–	19,626,406	–	20,472,384
Year 3	–	855,362	–	10,245,576
Year 4	–	–	–	–
Year 5	–	–	–	–
Year 6 onwards	–	–	–	–
	–	40,954,152	24,420,524	51,190,344

The operating leases are for four Airbus A380-861 aircraft. The terms of the leases are as follows:

MSN132 Limited – term of the lease is for 12 years ending August 2025. The initial lease is for 10 years ending August 2023, with an extension period of two years ending August 2025, in which rental payments reduce. The present value of the remaining rentals in the extension period at the end of the initial 10 year lease must be paid even if the option is not taken.

MSN133 Limited – term of the lease is for 12 years ending November 2025. The initial lease is for 10 years ending November 2023, with an extension period of two years ending November 2025, in which rental payments reduce. The present value of the remaining rentals in the extension period at the end of the initial 10 year lease term must be paid even if the option is not taken.

MSN134 Limited – term of the lease is for 12 years ending November 2025. The initial lease is for 10 years ending November 2023, with an extension period of two years ending November 2025, in which rental payments reduce. The present value of the remaining rentals in the extension period at the end of the initial 10 year lease term must be paid even if the option is not taken.

MSN136 Limited – term of the lease is for 12 years ending October 2025. The initial lease is for 10 years ending October 2023, with an extension period of two years ending October 2025, in which rental payments reduce. The present value of the remaining rentals in the extension period at the end of the initial 10 year lease term must be paid even if the option is not taken.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

13 RECEIVABLES

	30 Sep 2023 GBP	31 Mar 2023 GBP
Prepayments	218,858	147,783
Sundry debtors	40	40
	218,898	147,823

The above carrying value of receivables is its reasonable approximation of the fair value.

14 PAYABLES (due within one year)

	30 Sep 2023 GBP	31 Mar 2023 GBP
Accrued administration fees	8,621	8,729
Accrued audit fee	20,000	40,000
Accrued registrar fees (note 23)	1,010	1,058
Other accrued expenses	32,089	39,107
	61,720	88,894

The above carrying value of payables is its reasonable approximation of the fair value.

15 BORROWINGS

	30 Sep 2023 GBP	31 Mar 2023 GBP
Equipment Notes	–	24,215,843
Associated costs	–	(79,598)
	–	24,136,245
Current portion	–	24,136,245
Non-current portion	–	–

Notwithstanding the fact that £24.2 million debt was repaid during the Period, as per the Consolidated Statement of Cash Flows, the value of the borrowings has decreased by £24.1 million due to the 1.13 percent movement in the Sterling / US dollar exchange rate for the Period from 1.2337 at 31 March 2023 to 1.21996 at 30 September 2023. See note 21.

The amounts below detail the future contractual undiscounted cash flows in respect of the Loans and equipment notes, including both the principal and interest payments, and will not agree directly to the amounts recognised in the Consolidated Statement of Financial Position:

	30 Sep 2023 GBP	30 Sep 2023 GBP
Amount due for settlement within 12 months	–	24,410,388
Amount due for settlement after 12 months	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

15 BORROWINGS (continued)

In order to finance the acquisition of the Assets, the Subsidiary used the Certificates. The Certificates had an aggregate face amount of approximately $630 million, made up of "Class A" certificates and "Class B" certificates. The Class A certificates in aggregate had a face amount of $462 million with an interest rate of 5.250 percent and were repaid on 30 May 2023. The Class B certificates in aggregate had a face amount of $168 million with an interest rate of 6.125 percent and were repaid on 30 November 2019. There was a separate trust for each class of Certificate. The trusts used the funds from the Certificates to acquire equipment notes. The equipment notes were issued to Wilmington Trust, National Association as pass through trustee in exchange of the consideration paid by the purchasers of the Certificates. The equipment notes were issued by the Subsidiary and the proceeds from the sale of the equipment notes financed a portion of the purchase price of the four airbus A380-861 Aircraft, with the remaining portion being financed through contribution from the Group of the Share issue proceeds. The holders of the equipment notes issued for each Aircraft have the benefit of a security interest in such Aircraft. The remaining balance was repaid by continuing to amortise borrowings that pays both principal and interest through periodic payments.

In the directors' opinion, the carrying values of the equipment notes were approximate to their fair value.

16 REBATES

Upon entering into the leases it was agreed that the Lessee would pay to the Group such amount as estimated to be necessary to fund the payment by the Group of certain costs, fees and expenses associated with the transactions arising from the leases. Following payment of the costs, fees and expenses, it was agreed that such amount paid by the lessee exceeded the amount actually necessary. It was agreed that the Group would return the excess to the Lessee over the remaining life of the leases in May and November of each year. Upon any termination of a lease prior to its end the Group shall pay the entire remaining unpaid excess relating to such Aircraft to such account as is directed by the Lessee, but without any interest accrued thereon. This was returned in full in May 2023.

17 SHARE CAPITAL

The Share Capital of the Company is represented by an unlimited number of shares.

Issued	Administrative Shares	Shares
Issued shares as at 30 September 2023 and 31 March 2023	2	220,000,000

Issued	Administrative Shares GBP	Shares GBP	Total GBP
Shares			
Share Capital as at 30 September 2023 and as at 31 March 2023	–	208,953,833	208,953,833

Members holding Shares are entitled to receive and participate in any dividends out of income attributable to the Shares; other distributions of the Group available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein.

Upon winding up, Shareholders are entitled to the surplus assets attributable to the share class remaining after payment of all the creditors of the Group. Members have the right to receive notice of and to attend, speak and vote at general meetings of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

17 SHARE CAPITAL (continued)

The holders of Administrative Shares are not entitled to receive, and participate in, any dividends out of income; other distributions of the Group available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein. On a winding up, holders are entitled to a return of capital paid up on them after the Shares have received a return of their capital paid up but ahead of the return of all additional capital to the holders of Shares.

The holders of Administrative Shares shall not have the right to receive notice of and no right to attend, speak and vote at general meetings of the Group, except for the Liquidation Proposal Meeting (general meeting convened six months before the end term of the Lease where the Liquidation Resolution will be proposed) or if there are no Shares in existence.

18 CASH AND CASH EQUIVALENTS

	30 Sep 2023 GBP	31 Mar 2023 GBP
Cash at bank	13,902,841	13,692,410
	13,902,841	13,692,410

Cash and cash equivalents are highly liquid, readily convertible and are subject to insignificant risk of changes in value.

19 FINANCIAL INSTRUMENTS

The Group's main financial instruments comprise:

(a) Cash and cash equivalents that arise directly from the Group's operations;

(b) Short-term investments; and

(c) The debt secured on non-current assets.

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's objective is to obtain income and returns and a capital return for its Shareholders by acquiring, leasing and then selling Aircraft.

The following table details the categories of financial assets and liabilities held by the Group at the reporting date:

	30 Sep 2023 GBP	31 Mar 2023 GBP
Financial assets		
Cash and cash equivalents	13,902,841	13,692,410
Short-term investments	297,052	474,385
Receivables (excluding prepayments)	40	40
Financial assets measured at amortised cost	14,199,933	14,166,835
Financial liabilities		
Payables – due within one year	61,720	88,894
Rebates	–	189,818
Borrowings	–	24,136,245
Financial liabilities measured at amortised cost	61,720	24,414,957

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The main risks arising from the Group's financial instruments are capital management risk, foreign currency risk, credit risk, liquidity risk and interest rate risk. The Board regularly review and agrees policies for managing each of these risks and these are summarised below:

(a) Capital Management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 15, cash and cash equivalents disclosed in note 18, short-term investments and equity attributable to equity holders, comprising issued capital and retained earnings.

The Board reviews the capital structure on a bi-annual basis.

Equity includes all capital and reserves of the Group that are managed as capital.

No changes were made in the objectives, policies or processes for managing capital during the period 1 April 2023 to 30 September 2023 (None for the period 1 April 2022 to 31 March 2023).

(b) Foreign Currency Risk

The Group's accounting policy under IFRS requires the use of a Sterling historic cost of the Assets and the value of the US dollar debt as translated at the spot exchange rate on every reporting date. In addition, US dollar operating lease receivables are not immediately recognised in the Statement of Financial Position and are accrued over the period of the Leases. The directors consider that this introduces an artificial variance due to the movement over time of foreign exchange rates. In actuality, the US dollar operating lease should offset the US dollar payables on the amortising debt. The foreign exchange exposure in relation to the equipment notes is thus almost entirely hedged.

Lease rentals (as detailed in notes 4 and 12) are received in USD and Sterling. Those lease rentals received in USD are used to pay the equipment note repayments due, also in US dollars (as detailed in note 15). Both US dollar lease rentals and equipment note repayments are fixed and are for similar sums and similar timings. The matching of lease rentals to settle equipment note repayments therefore minimise risks caused by foreign exchange fluctuations.

The amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	30 Sep 2023 GBP	31 Mar 2023 GBP
Debt (US dollar) – Liabilities	–	24,215,843
Cash and cash equivalents (US dollar) – Asset	271,401	273,114
Short-term investments (US dollar) – Asset	297,052	474,385

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Foreign Currency Risk (continued)

The following table details the Group's sensitivity to a 15 percent (31 March 2023: 15 percent) appreciation of the US dollar against sterling. This represents the directors' assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items. The table below shows that profit and other equity fall where the US dollar strengthens 15 percent because the net dollar liabilities increase in pound terms. (31 March 2023: 15 percent). For a 15 percent (31 March 2023: 15 percent) weakening of the US dollar against the pound, there would be a comparable but opposite impact on the profit and other equity.

	30 Sep 2023 US dollar Impact GBP	31 Mar 2023 US dollar Impact GBP
Profit or loss	85,268	3,744,501
Net asset value	85,268	3,744,501

On the eventual sale of the Assets, the Group may be subject to foreign currency risk if settled in a currency other than Sterling. Transactions in similar assets are typically priced in US dollars.

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

Refer to the going concern section page 26 where an assessment of Emirates is made.

The credit risk on cash transactions are mitigated by transacting with counterparties that are regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies.

The Group's financial assets exposed to credit risk are as follows:

	30 Sep 2023 GBP	31 Mar 2023 GBP
Receivables (excluding prepayments)	40	40
Cash and cash equivalents	13,902,841	13,692,410
Short-term investments	297,052	474,385
	14,199,933	14,166,835

Surplus cash in the Group is held in accounts with RBSI and Wilmington Trust. The banks have credit rating given by Moody's of P-1 and P-2 respectively. The banks are shown as having a stable rating.

There is a contractual credit risk arising from the possibility that the Lessee may default on the lease payments. This risk is mitigated, as under the terms of the lease agreements between the Lessee and the Group, any non-payment of the lease rentals constitutes a "**Special Termination Event**", under which the Lease terminates and the Group may either choose to sell the Asset or lease the Assets to another party.

At inception of the Lease, the Group selected a Lessee with a strong balance sheet and financial outlook. The financial strength of Emirates is regularly reviewed by the Board and the Asset Manager.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in realising assets or otherwise raising funds to meet financial commitments. The Group's main financial commitments are its ongoing operating expenses and payments on equipment notes. The equipment notes were repaid in full in May 2023.

Ultimate responsibility for liquidity risk management rests with the Board, which established an appropriate liquidity management framework at the incorporation of the Group, through the timings of lease rentals and debt repayments. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by monitoring forecast and actual cash flows, and by matching profiles of financial assets and liabilities.

The table below details the residual contractual maturities of financial liabilities. The amounts below are contractual undiscounted cash flows, including both the principal and interest payments, and will not agree directly to the amounts recognised in the Consolidated Statement of Financial Position:

30 Sep 2023	1-3 months GBP	3-12 months GBP	1-2 years GBP	2-5 years GBP	Over 5 years GBP
Financial liabilities					
Payables – due within one year	61,720	–	–	–	–
Equipment Notes	–	–	–	–	–
Rebates	–	–	–	–	–
	61,720	–	–	–	–

31 Mar 2023	1-3 months GBP	3-12 months GBP	1-2 years GBP	2-5 years GBP	Over 5 years GBP
Financial liabilities					
Payables – due within one year	88,894	–	–	–	–
Equipment Notes	24,410,388	–	–	–	–
Rebates	189,818	–	–	–	–
	24,689,100	–	–	–	–

(e) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows. It is the risk that fluctuations in market interest rates will result in a reduction in deposit interest earned on bank deposits held by the Group.

The Group mitigates interest rate risk by fixing the interest rate on the equipment notes debt and the lease rentals. Equipment notes were repaid during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Interest Rate Risk (continued)

The following table details the Group's exposure to interest rate risks:

30 Sep 2023	Variable interest GBP	Fixed interest GBP	Non-interest Bearing GBP	Total GBP
Financial Assets				
Receivables (excluding prepayments)	–	–	40	40
Cash and cash equivalents	13,902,841	–	–	13,902,841
Short-term investments	297,052	–	–	297,052
Total Financial Assets	14,199,893	–	40	14,199,933
Financial Liabilities				
Payables	–	–	61,720	61,720
Equipment Notes	–	–	–	–
Rebates	–	–	–	–
Total Financial Liabilities	–	–	61,720	61,720
Total interest sensitivity gap	14,199,893	–		

31 Mar 2023	Variable interest GBP	Fixed interest GBP	Non-interest Bearing GBP	Total GBP
Financial Assets				
Receivables (excluding prepayments)	–	–	40	40
Cash and cash equivalents	13,692,410	–	–	13,692,410
Short-term investments	474,385	–	–	474,385
Total Financial Assets	14,166,795	–	40	14,166,835
Financial Liabilities				
Payables	–	–	88,894	88,894
Equipment Notes	–	24,215,843	–	24,215,843
Rebates	–	–	189,818	189,818
Total Financial Liabilities	–	24,215,843	278,712	24,494,555
Total interest sensitivity gap	14,166,795	24,215,843		

If interest rates had been 250 basis points (31 March 2023: 250 basis points) higher throughout the Period and all other variables were held constant, the Group's net assets attributable to Shareholders as at 30 September 2023 would have been £354,997 (31 March 2023: £354,170) greater due to an increase in the amount of interest receivable on the bank balances.

If interest rates had been 250 basis points (31 March 2023: 250 basis points) lower throughout the Period and all other variables were held constant, the Group's net assets attributable to Shareholders as at 30 September 2023 would have been £354,997 (31 March 2023: £354,170) lower due to a decrease in the amount of interest receivable on the bank balances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

21 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The following table discloses the effects of the amendments to IAS 7 Statement of Cash Flows which requires additional disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flows. This table below excludes non-cash flows arising from the amortisation of associated costs (see note 15).

	30 Sep 2023 GBP	30 Sep 2022 GBP
Opening Balance	24,215,843	66,644,902
Cash flows paid – capital	(24,209,370)	(22,817,271)
Cash flows paid – interest	(200,518)	(1,501,546)
Non-cash flows		
- Interest accrued	196,319	1,613,555
- Rebates movement	189,822	115,434
- Effects of foreign exchange – Rebates	(1,587)	60,651
- Effects of foreign exchange – Loans	(190,509)	8,755,795
Closing Balance	–	52,871,520

22 ULTIMATE CONTROLLING PARTY

In the opinion of the directors, the Group has no ultimate controlling party.

23 RELATED PARTY TRANSACTIONS AND MATERIAL CONTRACTS

Significant contracts who provide key management personnel to the reporting entity

Amedeo is the Group's Asset Manager.

During the Period, the Group incurred £384,026 (30 September 2022: £374,659) of expenses with Amedeo of which £345,623 (30 September 2022: £337,193) related to asset management fees as shown in note 5 and £38,403 (30 September 2022: £37,466) was liaison agent fees. As at 30 September 2023, £19,201 (31 March 2023: £57,604) was prepaid to this related party.

Nimrod is the Group's Corporate and Shareholder Advisor.

During the Period, the Group incurred £256,016 (30 September 2022: £249,772) of expenses with Nimrod. As at 30 September 2023, £nil (31 March 2023: £nil) was owing to this related party.

Significant contracts

JTC Registrars Limited is the Group's registrar, transfer agent and paying agent.

During the Period, the Group incurred £8,304 (30 September 2022: £8,849) of expenses with JTC Registrars as shown in note 5. As at 30 September 2023 £1,010 (31 March 2023: £1,058) was owing to this related party.

JTC Fund Solutions (Guernsey) Limited is the Group's Company Secretary and Administrator.

During the Period, the Group incurred expenses with JTC Fund Services (Guernsey) Limited of £37,841, in addition to accountancy fees of £14,467 (30 September 2022: £40,724 in addition to accountancy fees of £14,114) as shown in note 5. As at 30 September 2023, £8,621 (31 March 2023: £8,729) was owing to this related party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the period from 1 April 2023 to 30 September 2023

23 RELATED PARTY TRANSACTIONS AND MATERIAL CONTRACTS (continued)

Related parties

The Board are considered to be key management personnel. For details regarding the directors' remuneration please refer to note 6.

24 SUBSEQUENT EVENTS

On 10 October 2023, a further dividend of 2.0625 pence per Share was declared and this was paid on 31 October 2023.

No other subsequent events to disclose.

ADVISORS AND CONTACT INFORMATION

KEY ADVISERS AND CONTACT INFORMATION

KEY INFORMATION

Exchange:	Specialist Fund Segment of the London Stock Exchange's Main Market
Ticker:	DNA3
Listing Date:	2 July 2013
Financial Year End:	31 March
Base Currency:	Pound Sterling
ISIN:	GG00B92LHN58
SEDOL:	B92LHN5
LEI:	213800BMYMCBKT5W8M49
Country of Incorporation:	Guernsey
Registration number:	54908

MANAGEMENT AND ADMINISTRATION

Registered Office
Doric Nimrod Air Three Limited
Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey, GY1 2HT

Asset Manager
Amedeo Management Limited
Pembroke House
28-32 Pembroke Street Upper
Dublin 2, Ireland
D02 EK84

Corporate and Shareholder Adviser
Nimrod Capital LLP
New Derwent House
69-73 Theobalds Road
London
WCIX 8TA

Lease and Debt Arranger
Amedeo Management Limited
Pembroke House
28-32 Pembroke Street Upper
Dublin 2, Ireland
D02 EK84

Auditor
Grant Thornton Limited
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

Secretary and Administrator
JTC Fund Solutions (Guernsey) Limited
Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey, GY1 2HT

Liaison Agent
Amedeo Services (UK) Limited
35 New Broad Street
New Broad Street House
London
EC2M 1NH

Registrar
JTC Registrars Limited
Ground Floor, Dorey Court
Admiral Park
St Peter Port
Guernsey, GY1 2HT

Advocates to the Company (as to Guernsey Law)
Carey Olsen
Carey House
Les Banques
St Peter Port
Guernsey, GY1 4BZ

Solicitors to the Company (as to English Law)
Herbert Smith Freehills LLP
Exchange House
Primrose Street
London
England, EC2A 2HS

The paper used in this publication is 100% post consumer reclaimed material, certified in accordance with the FSC® (Forest Stewardship Council), reducing the impact of landfill and energy consumption.