QUARTERLY FACT SHEET

December 2021

DORIC NIMROD AIR TWO LIMITED

LSE: DNA2

COVID-19

The pandemic continues to impact private and economic life worldwide. The consequences of COVID-19 are far reaching and changing at a significant pace. The impact of this pandemic on the aviation sector has been significant with a large part of the global passenger aircraft fleet grounded. This quarterly fact sheet is exclusively based on known facts at the time of writing and does not seek to draw on any speculation about any possible future, long-term impacts of the pandemic on the aviation sector or the Company specifically and should be read in such context.

The Company

Doric Nimrod Air Two Limited ("the Company") is a Guernsey domiciled company. Its 172,500,000 ordinary preference shares have been admitted to trading on the Specialist Fund Segment (SFS) of the London Stock Exchange's Main Market. The market capitalisation of the Company was GBP 119.2 million as of 31 December 2021.

The Company has four wholly-owned subsidiaries: MSN077 Limited, MSN090 Limited, MSN105 Limited and Doric Nimrod Air Finance Alpha Limited ("DNAFA") (and together with the Company "the Group").

Investment Strategy

The Company's investment objective is to obtain income returns and a capital return for its shareholders by acquiring, leasing and then selling a portfolio of aircraft. The Company receives income from the leases and targets a gross distribution to the shareholders of 4.5 pence per share per quarter (amounting to a yearly distribution of 9.0% based on the initial placing price of 200 pence per share). It is anticipated that income distributions will continue to be made quarterly.

Company Facts (31 December 2021)

Listing	LSE
Ticker	DNA2
Current Share Price	69.0p
Market Capitalisation	GBP 119.2 million
Initial Debt	USD 1.03 billion
Outstanding Debt Balance[1]	USD 102 million (10% of Initial Debt)
Current and Targeted Dividend	4.5p per quarter (18p per annum)
Earned Dividends	174.5p
Current Dividend Yield	26.09%
Dividend Payment Dates	January, April, July, October

Company Facts (31 December 2021)

Ongoing Charges (OCF)[2]	1.9%
Currency	GBP
Launch Date/Price	14 July 2011 / 200p
Average Remaining Lease Duration	2 years 6 months
C Share Issue Date/Price	27 March 2012 / 200p
C Share Conversion Date/Ratio	6 March 2013 / 1:1
Incorporation	Guernsey
Aircraft Registration Numbers (Lease Expiry Dates)	A6-EDP (14.10.2023), A6-EDT (02.12.2023), A6-EDX (01.10.2024), A6-EDY (01.10.2024), A6-EDZ (12.10.2024), A6-EEB (09.11.2024), A6-EEC (30.11.2024)
Asset Manager	Doric GmbH
Corp & Shareholder Advisor	Nimrod Capital LLP
Administrator	JTC Fund Solutions (Guernsey) Ltd
Auditor	Grant Thornton Ltd
Market Makers	finnCap Ltd, Investec Bank Plc, Jefferies International Ltd, Numis Securities Ltd, Shore Capital Ltd, Winterflood Securities Ltd
SEDOL, ISIN, LEI	B3Z6252, GG00B3Z62522, 213800ENH57LLS7MEM48
Year End	31 March
Stocks & Shares ISA	Eligible
Website	www.dnairtwo.com

[1] Class B EETC matured in May 2019 with USD 154m redeemed in total.

[2] As defined by the AIC.

Asset Manager's Comment

1. The Assets

The Company acquired a total of seven Airbus A380-861 aircraft between October 2011 and November 2012. Each aircraft is leased to Emirates Airline ("Emirates") – the national carrier owned by the Investment Corporation of Dubai, based in Dubai, United Arab Emirates – for a term of 12 years from the point of delivery, with fixed lease rentals for the duration. In order to complete the purchase of the first three aircraft, MSN077 Limited, MSN090 Limited and MSN105 Limited entered into three separate loans, each of which will be fully amortised with quarterly repayments in arrears over 12 years.

The net proceeds from the C Share issue ("the Equity") were used to partially fund the purchase of four of the seven Airbus A380s. In order to help fund the acquisition of these final four aircraft, DNAFA issued two tranches (Class A & Class B) of enhanced equipment trust certificates ("the Certificates" or "EETC") – a form of debt security – in June 2012 in the aggregate face value of USD 587.5 million. The Certificates are admitted to the official list of the Euronext Dublin and to trading on the Main Securities market thereof. DNAFA used the proceeds from both the Equity and the Certificates to finance the acquisition of four new Airbus A380 aircraft which were then leased to Emirates.

The seven Airbus A380 aircraft bear the manufacturer's serial numbers (MSN) 077, 090, 105, 106, 107, 109, and 110.

Due to the effects of COVID-19, the Aircraft have been stored since March 2020, currently at Dubai World Central International Airport (DWC).

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.

Due to the continuing COVID-19 pandemic, Emirates has stored the aircraft owned by the Group in Dubai. The lessee has "a comprehensive aircraft parking and reactivation programme [in place], that strictly follows manufacturer's guidelines and maintenance manuals". In addition, Emirates has enhanced standards and protocols of their own, to protect and preserve the asset during the downtime. This includes the watertight sealing of all apertures and openings through which environmental factors – sand, water, birds, and insects – can find their way inside an aircraft. During parking, maintenance teams complete periodic checks at different intervals. Depending on the reactivation date of a specific aircraft, Emirates might defer due maintenance checks, which are calendar-based, until that time. This would allow the airline to make use of the full maintenance interval once the operation of a specific aircraft resumes. The aircraft of the Company are in deep storage condition at this time and could be reactivated within weeks.

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

Inspections

Doric, the asset manager, conducted records audits and physical inspections of the aircraft with MSNs 077 and 106, both in September 2021. Due to the storage of the aircraft and the protective measures associated with, the inspection of the aircraft was limited to viewing from the outside from ground level. The condition of the aircraft – to the extent visible – and its technical records were in compliance with the provisions of the lease agreement, taking into account that the aircraft was in storage at that moment. In addition, technical records of the aircraft with MSN 107 were also audited back in September. They were in compliance with the lease, taking into account that the aircraft was in storage.

Furthermore, records audits as well as physical inspections of the aircraft with MSNs 109 and 110 were conducted in November 2021. The results were not available as of the editorial deadline.

2. Market Overview

The impact of COVID-19 on the global economy has been severe, resulting in a contraction in global GDP of 3.5% for 2020, followed by an expected recovery in growth of 5.6% in 2021 and 4.3% in 2022, according to the World Bank. In its latest economic impact analysis from December 2021, the International Civil Aviation Organization (ICAO) estimates that the full year 2021 could experience an overall reduction in seats offered by airlines of 40% compared with pre-crisis 2019 levels.

The International Air Transport Association (IATA) anticipates an airline industry-wide net loss of USD 51.8 billion for 2021, after approximately USD 137.7 billion in the previous year, according to its latest estimates from October 2021. For 2022, the combined loss net loss of airlines worldwide is expected to reach USD 11.6 billion.

The rebound in global air passenger traffic has continued through October 2021, supported by vaccine rollouts and a willingness to travel during the northern hemisphere summer. But new infection rates are growing globally, and in particular in Europe.

In October 2021, industry-wide revenue passenger kilometres (RPKs) fell by 49.4% compared to pre-crisis 2019 levels, while industry-wide capacity, measured in available seat kilometres (ASKs), contracted by 41.2%. This resulted in the worldwide passenger load factor (PLF) falling by 11.5 percentage points to 70.6%. However, compared to the year prior, RPKs were up 71.9%, ASKs were up 47.3%, and the PLF increased by 10.1 percentage points during the month of October 2021.

Due to their reliance on international long-haul routes, Middle Eastern carriers like Emirates continue to experience greater declines than other regions compared to pre-crisis levels. However, IATA points out that there was a broad-based improvement in international markets in October. RPKs for Middle East carriers fell 59.0% in October 2021 compared to pre-crisis 2019 levels. Capacity fell by 47.8% during that period. The result was a 15.7 percentage points decrease in PLF to 57.7%. However, compared to October 2020, RPKs were up 181.3%, ASKs were up 80.1%, and the PLF increased by 20.8 percentage points in October 2021.

Air travel drivers were pointing to a gradual recovery continuing in November, but the sudden uncoordinated imposition of strict new travel requirements as a result of the Omicron variant has significantly increased uncertainty, meaning any strong rise in global RPK is unlikely in the next few months, according to IATA. New COVID-19 infections are again increasing globally as of late December 2021, driven by a strong outbreak in Europe and a new wave in North America. This may result in countries reimposing more extensive travel restrictions. Israel and Japan have become the first to shut their borders for foreign travellers owing to the Omicron scare.

Source: IATA, ICAO, World Bank

3. Lessee – Emirates

Network

With Australia's borders set to re-open to international travellers from November, Emirates announced in late October 2021 to increase frequency and boost capacity to and from Australia. These efforts include the return of the daily A380 service between Dubai and Sydney since 1 December 2021.

In anticipation of a busy travel period ahead of UAE National Day Holiday weekend in early December, Emirates has restarted operations at Concourse A at Dubai International Airport (DXB). Forming part of Terminal 3, Concourse A is the world's first A380 purpose-built facility, with an annual capacity of 19 million passengers and 18 air bridge gates each of them capable of handling an A380.

Emirates and TAP Air Portugal (TAP) are further expanding their existing codeshare agreement by adding 23 more destinations to the partnership. Another codeshare agreement was signed with airBaltic to offer customers enhanced connectivity to/from Latvia, Estonia, Lithuania, and Finland. airBaltic is connecting the Baltic region with over 70 destinations and operates a fleet of 32 Airbus A220-300. Emirates has currently codeshare cooperation agreements in place with 22 airline partners and two rail companies around the world. In addition, Emirates has recently signed a Memorandum of Understanding to establish a codeshare partnership with Garuda Indonesia, the flag carrier of the world's fourth most populous nation.

At the end of November 2021 Emirates has restored passenger services to more than 120 destinations via Dubai. According to Sir Tim Clark, Emirates continues to restore its full network, and "it will probably take us till June or July of 2022 back to where it was and beyond". In particular, getting back all the crews is apparently a "problem". In October 2021, Emirates published plans to recruit 6,000 operational staff over the next six months to support the accelerated recovery. A month earlier the airline embarked on a worldwide campaign to recruit 3,000 cabin crew members, 500 airport services employees, and 600 qualified pilots.

Fleet

Emirates has disclosed plans to add premium-economy seating across a further 105 aircraft, which include 53 Boeing 777s and 52 Airbus A380s. The 18-month retrofit programme will be conducted at the carrier's engineering centre in Dubai. Together with the latest A380 deliveries, which already come with factory-installed premium-economy seating, Emirates will have 111 aircraft with premium-economy seats upon completion of the retrofit programme. This number could increase to up to 192 aircraft in the most optimistic scenario, according to Sir Tim Clark.

In November 2021, Emirates and GE Aviation have signed a Memorandum of Understanding to develop a programme that will see one of the airline's Boeing 777-300ER, powered by GE90 engines, conduct a test flight using 100% sustainable aviation fuel (SAF) by the end of 2022. The demonstration flight will support both companies' broader efforts to reduce CO_2 emissions as the industry looks to scale up its use of SAF. Emirates' COO Adel Al Redha stated that "Emirates is committed to supporting initiatives that help minimise its CO_2 emissions, and we have already made great strides in fuel efficiency and conservation as well as operational advancements across different areas of our business". Emirates received its first SAF-powered Airbus A380 in December 2020. The engines on that delivery flight were powered with a blend of conventional jet fuel and SAF.

Also in November 2021, Emirates announced to expand its cargo capacity with a USD 1 billion investment in new freighter aircraft and aircraft conversions. Emirates SkyCargo will induct two new Boeing 777F aircraft into its fleet in 2022 and also convert four existing 777-300ER passenger aircraft into freighters between 2023 and 2024, with options for additional conversions.

Throughout the crisis, Emirates' operations largely focused on the utilisation of its fleet to meet the global demand for cargo services. As travel restrictions have continued to ease, Emirates has been redeploying its Boeing 777-300ER and Airbus A380 aircraft on newly resumed passenger services as well as up-gauging existing passenger routes. The carrier has since resumed passenger services to over 120 destinations, recovering approximately 90% of its pre-pandemic network.

The table below details the passenger aircraft fleet activity as of 31 December 2021:

Passenger Aircraft Fleet Activity		
Aircraft Type	**Grounded**	**In Service**
A380	61	60
777	0	124
Total	**61**	**184**
%	**25%**	**75%**

Source: Cirium as of 31 December 2021

In November 2021, Emirates has signed a contract with UAE-based Falcon Aircraft Recycling to upcycle and recycle its first retired A380 aircraft, in order to reduce the environmental impact of the deconstruction process and landfill waste. Serviceable components such as engines, landing gears and flight control components were already retrieved from Emirates' engineers. The remainder is used to produce custom furniture and merchandise. A portion of the profits from the sale of all items upcycled and recycled will benefit the Emirates Airline Foundation.

In December 2021, Emirates received its 123rd Airbus A380, which also marks the end of production for the world's largest commercial aircraft. On this occasion, Emirates' President Tim Clark confirmed that "the A380 will remain Emirates' flagship product for the coming years, and a vital pillar of our network plans".

Key Financials

In the first half of the financial year ending 31 March 2022, Emirates recorded a net loss of AED 5.8 billion (USD 1.6 billion) compared to AED 12.6 billion (USD 3.4 billion) loss for the same period in the previous year. However, revenues increased 86% to AED 21.7 billion (USD 5.9 billion), with the increasing passenger demand and strong cargo demand aiding the recovery. During the first half of the 2021/22 financial year, Emirates carried 6.1 million passengers up 319% from the same period last year. As more countries eased travel and flight restrictions, Emirates increased capacity by 250% and its passenger traffic increased 335%. This resulted in the average passenger seat load factor recovering to 47.9% (compared with last year's pandemic figure of 38.6%).

Given the substantial increase in flight operations during the six-month period up to end of September 2021, Emirates' operating costs increased by 22% against an overall capacity growth of 66%. The carrier's fuel costs more than doubled compared to the same period last year, primarily due to an 81% higher fuel uplift in line with increasing flight operations as well as an increase in average oil prices. Fuel, which had been the largest component of the Emirates' operating cost prior to the pandemic, accounted for 20% of operating costs compared to only 11% in the same period last year.

The recovery in Emirates' operations during the first six months of the 2021/22 financial year led to an improved EBITDA of AED 5.0 billion (USD 1.4 billion) compared to AED 290 million (USD 79 million) for the same period last year. Demand for air freight also remained strong. The volume of cargo uplifted between April and September 2021 increased by 39% to 1.1 million tonnes, restoring Emirates' cargo operation to 90% of its pre-pandemic (2019) levels by volume handle.

As of 30 September 2021, Emirates' total liabilities decreased by 2.2% to AED 128.7 billion (USD 35.1 billion USD) compared to the end of the previous financial year. Total equity decreased by 14.7% to AED 17.2 billion (USD 4.7 billion). Emirates' equity ratio stood at 11.8% and its cash position amounted to AED 14.2 billion (USD 3.9 billion) at the end of September 2021. In comparison, the carrier had AED 15.1 billion (USD 4.1 billion) in cash assets at the end of the 2020/21 financial year. The cash flow from operating activities remained positive at AED 6.9 billion (USD 1.9 billion).

In the first half of the 2021/22 financial year, the carrier's ultimate shareholder, the Government of Dubai, injected a further AED 2.5 billion (USD 681 million) into the Emirates Group by way of an equity investment, demonstrating continued support for the airline on its recovery path. On the ongoing performance of Emirates in light of the global pandemic, HH Sheikh Ahmed bin Saeed Al Maktoum, chairman and chief executive of Emirates, stated: "Our cargo transport and handling businesses continued to perform strongly, providing the bedrock upon which we were able to quickly reinstate passenger services. While there's still some way to go before we restore our operations to pre-Pandemic levels and return to profitability, we are well on the recovery path with healthy revenue and a solid cash balance at the end of our first half of 2021-22."

In mid-September 2021 the airline announced its intention to hire 3,000 flight attendants and 500 services personnel for its DXB operations over the next six months. After Emirates had reduced its workforce by about 15% of its pre-pandemic level in an attempt to reduce the cost base during the pandemic, additional staff are needed to support the ramp-up of its operations.

As at the end of December 2021, Emirates has outstanding USD debt issuances with maturities in 2023, 2025, and 2028. These respective bonds were all trading at above par (100 cents) and with running yields ranging from approximately 3.8% to 4.4% in USD. There has also been no upward pressure on yields. This level of yields does not appear to indicate any significant financial stress to the issuer. In its most recent annual financial report, the auditor PricewaterhouseCoopers issued an unqualified audit report and the airline stated it "remains confident to meet our financial commitments as they fall due in the coming year and beyond through proactive working capital management and utilisation of available credit lines and facilities".

In early November 2021 Emirates' President Sir Tim Clark shared the news that the airline had just returned to profit and also achieved a cash surplus. With about 60,000 to 70,000 daily passengers the airline still has some way to go before reaching its pre-pandemic level of 170,000 passengers. However, higher yields with its passenger and cargo operations allowed for the turnaround. During the pandemic Emirates was also able to double its cargo operations, benefiting from a surge in demand for air cargo transport.

Source: Airline Ratings, Bloomberg, Cirium, Emirates, Khaleej Times, Simple Flying

4. Aircraft – A380

As of the end of December 2021, the global A380 fleet consisted of 240 planes with 14 airline operators. Only 80 of these aircraft were in service. The remainder of the fleet is currently parked due to COVID-19. The fourteen operators are Emirates (121), Singapore Airlines (17), Deutsche Lufthansa (14), Qantas (12), British Airways (12), Korean Air Lines (10), Etihad Airways (10), Qatar Airways (10), Air France (8), Malaysia Airlines (6), Thai Airways (6), Asiana Airlines (6), China Southern Airlines (5), and All Nippon Airways (3).

Following the announcement that fully vaccinated UK citizens will be able to travel to the USA starting from 8 November 2021, IAG subsidiary British Airways (BA) announced to return the A380 to its active fleet as part of its plan for a massive increase in capacity to the USA and elsewhere. The ramp up includes – but is not limited to – an increase in frequencies to eight daily flights between London and New York from December 2021 and double-daily services to many destinations in North America. The first two destinations with A380 services are Miami and Los Angeles. In total, the airline plans to fly to 23 US airports this winter, with up to 246 flights a week. BA is expected to reintroduce further A380 services to Dallas Fort Worth, Johannesburg, San Francisco, and Singapore by March 2022. Originally, BA had plans to begin with the reintroduction of the first A380 only in March 2022.

In October 2021, ANA announced to introduce mixed-fleet flying (MFF) for Airbus A320 and A380 following approval by Japan's Civil Aviation Bureau. The Japanese carrier is the first operator in the world to introduce MFF between two types, according to Airbus. Unique to Airbus, flight deck and aircraft control systems enable pilots to be certified to operate more than one type from Airbus' fly-by-wire product line on a regular and concurrent basis. MFF allows airlines to interchange different sized aircraft at short notice without crew-scheduling difficulties, increasing the efficiency.

In November 2021, Lufthansa (LH) CEO Carsten Spohr ruled out the reactivation the German carrier's fleet of A380s, if passenger demand were to exceed expectations. The operational return of the ultra-large long-haul type was "no topic for us", according to Spohr. LH mothballed all of its 14 A380s amid the pandemic in 2020 and accelerated a previous plan to retire six aircraft with immediate effect. According to Spohr these aircraft have been sold back to Airbus as part of a deal to order more Airbus A350s.

In a November 2021 statement A380 operator Thai Airways announced to seek bids for the outright sale of two used A380 aircraft and additional four Rolls-Royce Trent 900 spare engines. Back in March 2021 the airline had issued a request for indication of interest in that superjumbo pair. The planned sale is conducted under bankruptcy court order and will be subject to the final approval of Thai's plan administrator.

After a number of shorter flights to refamiliarize the crew, Singapore Airlines restarted its A380 long-haul operation in mid-November 2021 with daily flights between Singapore and London Heathrow. Beginning in March 2022, Singapore Airlines will also relaunch its A380 service to New York with a stop in Frankfurt, Germany.

In late December 2021 Qantas confirmed plans to bring forward the reintroduction of the A380 into its long-haul fleet with flights between Sydney and Los Angeles starting from 11 January 2022. Prior to this announcement, Qantas was supposed to bring back A380s as of late March 2022. But the airline is currently experiencing a pilot shortage, as Brisbane-based Boeing 787 pilots have to undergo a 14-day quarantine after each international trip. Utilizing the increased seat capacity of an A380 compared to the 787, the airline plans to replace its daily 787 service to Los Angeles with three weekly A380 and only one weekly 787 services, effectively reducing the required number of pilots.

Asked about the accelerated reintroduction of the A380 with some carriers, Emirates' President Sir Tim Clark responded as follows: "Those aircraft will come back as simply demand is so strong now, and certainly in the next 18 months or two years the A380s will come into their own where they can be flown. More carriers will reactivate their A380s, they'd be nuts not to because they got to deal with this demand. They've got the yields as the fares are so much higher than they were, the passenger mix has changed as there is lots more of high-end business travelling, contrary to what everybody said, and people are prepared to travel. Alain Joyce of Qantas told me that of all Australians surveyed, 60 % of them said they would leave Australia the moment they could go, which makes about 14 million people."

Commenting on the end of the A380 programme, Sir Tim Clark recently confirmed, that "we will fly the A380 until the mid-2030s, so we got 14-15 years before we retire them".

Updating the public about its fleet planning for the coming year, A380 operator Malaysia Airlines said it is "still planning to exit [its] A380 fleet in 2022", with a tender exercise for the six aircraft "expected to complete by this [fourth] quarter" of 2021.

Source: Emirates, Cirium, CNN, One Mile at a Time, Simple Flying

Addendum

Implied Future Total Returns based on the latest appraisals as at 31 March 2021

- For illustrative purposes only -

The Directors note that the outlook for the A380, and hence the total return of an investment into the Group, is subject to an increased amount of uncertainty. From the outset of the transaction, the Directors relied on appraisers' valuations based on the assumption that there would be a balanced market, where supply and demand for the A380 are in equilibrium. These values are called future base values. At the instruction of the Group this assumption was changed for the March 2020 appraisals onward. Appraisers assumed a soft market, characterized by less favourable market conditions for the seller, including but not limited to an imbalance of supply and demand in the aircraft type. These values are called future soft values. The asset manager advised the Directors that the market sentiment for the A380 had declined since the valuation in March 2019: Following Airbus' announcement to discontinue the A380 production in 2021, a number of operators made determinations about their fleets that indicate an increased supply in used A380s in the coming years. Furthermore, A380s returned from operating leases could not be placed within a reasonable period of time and owners were forced to explore alternative scenarios for revenue generation like engine leasing. The ongoing COVID-19 pandemic with the vast majority of A380s worldwide on the ground, further exacerbates this situation, as potential operators are focused on utilizing their existing capacities. Based on these observations the asset manager suggests the continued use of soft values to reflect the prevailing market circumstances in the valuations.

To enable investors to assess the effects of varying residual values on their total returns, the below table is provided for information only and contains a range of discounts to the average independently appraised residual values determined at the last valuation date in March 2021. The table summarises the total return components, calculated on the current exchange rate and using discounts of 25%, 50%, and 75% and the latest available appraised value of the aircraft, which is the average of valuations provided by three independent aircraft appraisers and quoted in US dollars. The latest appraisals available are dated end of March 2021.

The total return for a shareholder investing today (31 December 2021) at the current share price consists of future income distributions during the remaining lease duration and a return of capital at dissolution of the Group. The latter payment is subject to the future value and the respective sales proceeds of the aircraft, quoted in US dollars and the USD/GBP exchange rate at that point in time. Since launch, three independent aircraft appraisers have provided the Group with their values for the aircraft at the end of each financial year.

The table below summarises the total return components using the appraised value of the aircraft which is the average of valuations provided by three independent aircraft appraisers and quoted in US dollars. This residual value at lease expiry takes inflation into account and is the most reliable estimate available. Due to accounting standards, the value used in the

Group's Annual Financial Report differs from this disclosure as it excludes the effects of inflation and is converted to sterling at the prevailing exchange rate on the reporting date (i.e. 31 March 2021).

The contracted lease rentals are calculated and paid in US dollars to satisfy debt interest and principal, and in sterling to satisfy dividend distributions and Group running costs, which are in sterling. The Group's cash flow is therefore insulated from foreign currency market volatility during the term of the leases.

With reference to the following table, there is no guarantee that the aircraft will be sold at such a sale price or that such capital returns will be generated.

The Directors note that any possible long-term impact of the COVID-19 global pandemic on the Group and aviation industry as a whole are entirely unknown at the time of writing. The following table does not therefore include any assumptions in this regard, and should be read accordingly.

Implied Future Total Return Components Based on Soft Market Appraisals

The implied return figures are not a forecast and assume the Group has not incurred any unexpected costs or loss of income.

Aircraft portfolio value at lease expiry according to

- **Latest appraisal[1]** **USD 327.8 million based on inflated future soft market values**

Per Share (rounded)	Income Distributions	Return of Capital			
		Latest Appraisal -75%[2]	Latest Appraisal -50%[2]	Latest Appraisal -25%[2]	Latest Appraisal[2]
Current FX Rate[3]	50p	48p	82p	116p	150p
Per Share (rounded)		Total Return[4]			
		Latest Appraisal -75%[2]	Latest Appraisal -50%[2]	Latest Appraisal -25%[2]	Latest Appraisal[2]
Current FX Rate[3]		98p	132p	166p	200p

[1]Date of valuation: 31 March 2021; inflation rate: 1.5% [2]Average of the three appraisals at the Group's respective financial year-end in which each of the leases reaches the end of the respective 12-year term less disposal costs [3]1.3531USD/GBP (31 December 2021) [4]Includes expected future dividends

So far, only a limited secondary market has developed for the aircraft type.

Contact Details

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