AMEDEO AIR FOUR PLUS LIMITED

Condensed Consolidated
Half-Yearly Financial Report
From 1 April 2022 to 30 September 2022

2022

Contents

Summary Information

Listing	Specialist Fund Segment of the London Stock Exchange's Main Market
Ticker	AA4
Share Price	33.00 pence (as at 30 September 2022) 37.00 pence (as at 9 December 2022)
Market Capitalisation	GBP114.60 million (as at 30 September 2022) GBP128.50 million (as at 9 December 2022)
Target Dividend	The Board announced a target of 1.5 pence per share per quarter (6.0 pence per annum) on 6 October 2022. Prior to that date a target of 1.25 pence per quarter (5 pence per annum) applied, having been announced on 4 January 2022. The target at launch (2.0625 pence per quarter, 8.25 pence per annum) was suspended on 6 April 2020.
Dividend Payment Dates	January, April, July, October
Reporting Currency	Sterling
Launch Date / Share Price	13 May 2015 / 100 pence
Incorporation and Domicile	Guernsey
Aircraft Registration Numbers	A6-EEY, A6-EOB, A6-EOM, A6-EOQ, A6-EOV, A6-EOX, A6-EPO, A6-EPQ, HS-THF, HS-THG, HS-THH, HS-THJ
Asset Manager	Amedeo Limited
Administrator	JTC Fund Solutions (Guernsey) Limited
Auditor	KPMG
Corporate and Shareholder Advisor	Liberum Capital Limited
SEDOL ISIN LEI	BMZQ5R8 GG00BMZQ5R81 21380056PDNOTWERG107
Year End	31 March 2022
Stocks & Shares ISA	Eligible
Website	www.aa4plus.com

Chairman's Statement

The half year to 30 September 2022 has passed somewhat uneventfully compared with last year. Dividends have been maintained and indeed increased at the most recent review, however the Directors believe that the share price continues to undervalue the Company. How to unlock that value is an ongoing concern and we will explore all avenues that will assist in this.

The Board continue to consider the values of the A350s, now that they have leases attached out to 2035/6. It is fair to say that there have been material differences in opinions of appraisers, industry leasing professionals and market analysts as to what they are worth and the Board continues to keep this under review. At a macro level, long haul flying is still no more than 75% of its pre-pandemic level with strong Transatlantic traffic contrasted to slower Asia Pacific recovery. Many observers are predicting a worldwide recession next year as negative real interest rates and quantitative easing are revealed to have been maintained for far too long. Some airlines will be at risk over the winter. Pre-covid, Chinese and Russian tourists represented a significant share of tourism to Thailand and they are yet to return in previous numbers, although in the case of Russian tourists, this situation is improving as the key winter season arrives. Against that, at least in the second and third quarters, the A350s have been flown a lot.

At a more specific level, the A350-900 is regarded as an excellent fuel efficient aircraft which according to Ishka has recovered to about 87-90% of its "Base" (that is, long term trend value) whereas Thai Airways, notwithstanding the progress made over the last two years, is a credit that many investors and financiers will treat with caution and discount more heavily or require a higher return, at least until it has emerged from bankruptcy protection and shown that its rehabilitation plan is viable. The prospect of income returns to shareholders from the A350s are minimal due to lender constraints and, in light of the above, the equity return remains difficult to quantify.

The A380s have been enjoying their steady return to service, and Emirates plan to reconfigure 67 of their A380 fleet to Premium Economy is a positive. At this stage we do not know whether this number represents Emirates future fleet size.

Robin Hallam
Chairman

Date: 13 December 2022

Asset Manager's Report

On the invitation of the Directors of the Company, the following commentary has been provided by Amedeo Limited as Asset Manager of the Company and is provided without any warranty as to its accuracy and without any liability incurred on the part of the Company, its Directors and officers and service providers. The commentary is not intended to constitute, and should not be construed as, investment advice. Potential investors in the Company should seek their own independent financial advice and may not rely on this communication in evaluating the merits of an investment in the Company. The commentary is provided as a source of information for shareholders of the Company but is not attributable to the Company.

AA4P PORTFOLIO UPDATE

As set out in the Company's announcement on 16 December 2021, the Company completed the lease amendment documentation with Thai Airways in respect of its 4x A350-900 aircraft. Under the restructured leases, Thai Airways will pay rent on a power by the hour basis until December 2022. From January 2023, the leases will switch to fixed monthly rent with an additional six-year lease extension agreed. Thai Airways has expanded operations leading to an increased utilisation of the Company's aircraft. As a result, the aircraft have generated PBH income in excess of interest with overages being applied to repay loan principals. Thai Airways does not currently operate any routes that would see the Company's aircraft enter into Russia.

Thai Airways has made significant progress in its operations, having said that, their Plan Administrator submitted a petition for a Plan Amendment on 01 July 2022. Under the proposed revised Plan the airline is seeking a new term loan of up to six years and / or a bond with the same maturity term of up to US$350m. It may also seek a revolving facility of up to the same amount. The airline is aiming to increase its capital registration by c.31.5bn shares in order to i) repay creditors with debt-to-equity conversion and ii) to give a new financial supporter the right/option to buy shares at the same amount of the US$350m facility mentioned above. The debt-to-equity conversion can lead to Thai increasing its equity and reducing debts under the Plan by c. US$ 1.06bn. If approved, Thai expects to receive c. US$2.24bn through the new share issuance and capital restructuring. Thai expects equity will be positive in 2024 and that the airlines shares will be traded again on the stock exchange in 2025. The proposed amendment and debt-to-equity conversion only applies to financial creditors and not lessors.

Emirates continues to keep up its positive performance and reported a productive summer, carrying more than 10m passengers on nearly 35,000 flights to 130 destinations. The airline continues to expand its operations as it announces increased frequencies to London, Tel Aviv, and more cities. The airline continues to redeploy A380 services in line with demand, as the flagship aircraft is set to return to Perth, Auckland, Kuala Lumpur, and Bengaluru between October and December 2022. The airline also signed a codeshare agreement with United Airlines in September 2020, which will see customers get access to approximately 200 US cities through Chicago, San Francisco, and Houston. In the half year financial period ending 30 September 2022, Emirates recorded a net profit of AED 4.0 billion (US$ 1.1 billion). His Highness Sheikh Ahmed bin Saeed Al Maktoum, Chairman and Chief Executive, Emirates Airline and Group, said that the expectation is for "the Group to return to track record of profitability at the close of the full financial year". Emirates no longer operate leased aircraft in and out of Russia, which includes the Company's aircraft, however they can continue to operate their own aircraft into this jurisdiction.

Asset Manager's Report (continued)

AMEDEO'S ASSET INSPECTION REPORT TO AA4P

The utilization figures below represent the totals for each aircraft from first flight to 30 September 2022

Lessee	Model	MSN	REG	Delivery Date	Lease Expiry Date	Flight Hours	Flight Cycles	Flight Hours Mar-Sep 2022
Emirates	A380-861	157	A6-EEY	04/09/2014	04/09/2026	26,265	4,198	1,804
	A380-861	164	A6-EOB	03/11/2014	03/11/2026	25,930	4,168	1,878
	A380-861	187	A6-EOM	03/08/2015	03/08/2027	26,871	2,686	621
	A380-861	201	A6-EOQ	27/11/2015	27/11/2027	17,707	2,799	0
	A380-861	206	A6-EOV	19/02/2016	19/02/2028	22,814	3,724	1,270
	A380-861	208	A6-EOX	13/04/2016	13/04/2028	16,110	2,543	0
	B777-300ER	42334	A6-EPO	28/07/2016	28/07/2028	23,650	5,881	1,938
	B777-300ER	42336	A6-EPQ	19/08/2016	19/08/2028	23,241	5,316	2,167
Thai Airways	A350-900	123	HS-THF	13/07/2017	13/07/2035	15,873	2,906	1,799
	A350-900	130	HS-THG	31/08/2017	31/08/2035	15,208	2,746	1,809
	A350-900	142	HS-THH	22/09/2017	22/09/2035	14,718	2,630	1,760
	A350-900	177	HS-THJ	26/01/2018	26/01/2036	12,370	2,102	1,298

Recent Technical Activity:

No significant technical events have been reported by Emirates for this period.

No significant technical events have been reported by Thai Airways for this period.

Only MSN 201 & 208 remain grounded, as all other aircraft are in commercial service.

MSN 187, MSN 201, MSN 206, and MSN 208 have been selected to undergo cabin retrofit at some point in the future to include premium economy. These aircraft are expected to be utilized.

Emirates fleet last operated as per the dates listed below as of 30 September 2022:

- MSN 157: 30 September 2022
- MSN 164: 28 September 2022
- MSN 187: 31 March 2022
- MSN 201: 18 August 2020 (Positioning Flight from DXB – DWC)
- MSN 206: 10 August 2022
- MSN 208: 26 August 2020 (Positioning Flight from DXB – DWC)
- MSN 42334: 30 September 2022
- MSN 42336: 30 September 2022

Thai Airways fleet last operated as per the dates listed below as of 30 September 2022:

- MSN 123: 30 September 2022
- MSN 130: 30 September 2022
- MSN 142: 30 September 2022
- MSN 177: 30 September 2022

Asset Manager's Report (continued)

Overview

Industry Update

The International Air Transport Association (IATA) announced a positive performance thus far in 2022, as passenger data for September 2022 shows that the recovery in air travel continues to be strong. Total demand for air travel in September 2022, measured in revenue passenger kilometres (RPKs) was up 57.0% compared to September 2021. Global traffic is now at 73.8% of 2019 levels, which is in line with August 2022.

September 2022 domestic air travel was up 6.9% compared to the previous year and is now driving the recovery. Total September 2022 domestic traffic was at 81.0% of the September 2019 level which is slightly down from the 85.4% reached in August 2022. China, which is an important market, also saw a domestic passenger load factor stabilizing of 33.0% below 2019 levels, which represents a 0.4ppts decrease from August 2022.

International RPKs continue to increase globally, supported by easing travel restrictions in Asia Pacific. Industry traffic increased 122.2% compared to September 2021, which places the international industry 30.1% below September 2019. This represents a 2.5ppts improvement from the respective August figure (August 2022: 32.6%). The load factor remains high industry wide at 81.6% with North America in the lead at 85.5%, in line with the August 2022 factor. International flights mark an 82.2% load factor compared to 80.6% in domestic markets. Airlines based in Asia Pacific recorded again the strongest year on year growth rates for international RPKs in September 2022 at 464.8%. However, recovery is still lagging in this region, as routes between Asia Pacific and other parts of the world contrast with routes where traffic has already reached or surpassed pre-pandemic levels.

According to IATA willingness to travel remains strong despite high energy prices, traffic disruptions, and other economic headwinds. "The biggest impact going into next year will be what happens in China and whether China starts to relax the situation", IATA's director general Willie Walsh commented on the outlook in September 2022. While China has relaxed internal restrictions within the country resulting in a substantial increase in domestic air travel, border restrictions in China and elsewhere in Asia Pacific still result in a lagged recovery, compared to other regions of the world. Walsh expects the worldwide air passenger travel to return to pre-pandemic levels by 2024.

EMIRATES GROUP

Half Yearly Financial Highlights1[1]:

In the half yearly financial ending 30 September 2022, Emirates recorded a net profit of AED 4.0 billion (US$ 1.1 billion). The performance was a significant improvement of the airline's profitability, after the previous year's net loss amounted to AED 3.9 billion (US$ 1.1 billion). Emirates expanded its operations and reinstated more passenger flights in its network, which helped increase its revenues by 131% to AED 50.1 billion (US$ 13.7 billion). Considering the substantial increase in flight operations, Emirates' operating costs increased by 73% mainly due to the carrier's fuel cost which more than tripled compared to the same period last year. Fuel, which had been the largest component of Emirates' operating cost prior to the pandemic, accounted for 38% of operating costs which is one of the highest ratios ever, compared to 20% in the first six months of last year. His Highness Sheikh Ahmed bin Saeed Al Maktoum, Chairman and Chief Executive, Emirates Airline and Group, said that the expectation is for "the Group to return to track record of profitability at the close of the full financial year".

Operations:

Emirates continues to expand its operations and flight network, while redeploying more A380s into service. In early August 2022 Emirates resumed passenger flights to its third London gateway, London Stansted with a daily Boeing 777 service that complements six daily flights to Heathrow and a double daily A380 service to Gatwick. At the end of August 2022 Emirates announced it had carried more than 10 million passengers on nearly 35,000 flights to 130 destinations during the busy summer period. It is currently operating at 74% of its pre-pandemic network/capacity and plans to increase this number to 80% by year end.

In September 2022 United Airlines and Emirates signed a codeshare agreement. From November on United customers will get access to more than 100 destinations through Emirates' hub in Dubai. In return Emirates passengers can continue their journey to approximately 200 US cities through Chicago, San Francisco and Houston.

Between October 2022 and January 2023 Emirates will add a third daily flight to Mauritius, complementing the existing double daily A380 service. Emirates has also added a second daily flight to Tel Aviv starting 30 October 2022, also boosting

[1] US$ Figures are converted at US$ 1 = AED 3.67

Emirates' SkyCargo belly-hold capacity by another 20 tonnes a day to meet demand from businesses, enhancing the import and export opportunities.

From 30 October 2022 Bengaluru (India) is the second city in India Emirates services with an A380. The daily service complements two daily Boeing 777 flights. Post-pandemic Emirates has rebuilt it's A380 network of more than 30 destinations on six continents and has reintroduced direct A380 services to Auckland (New Zealand) and Kuala Lumpur (Malaysia) from 1 December. In order to meet strong demand from Australia Emirates will also upgrade its service to Perth to an A380 later this year. Emirates continues to rebuild its capacities to South Africa with additional flights to Johannesburg (three daily flights in total from 1 March 2023), Cape Town (double daily services starting from 1 February 2023) and Durban (daily flights from 1 December 2022). The enhanced schedule will offer 42 weekly services in a combination of A380 and 777 operations.

According to Emirates' latest update on the cabin retrofit program from August, the airline will upgrade the entire interior cabin of 67 Airbus A380 and 53 Boeing 777-300ER. From November this year the airline aims to completely refurbish four aircraft each month, starting with the A380s, followed by the Boeing 777-300ERs. One of the reasons for the comprehensive retrofit programme is to offer a premium service to a segment of the market that can't afford business or first class. Emirates are extending various leases of older vintage aircraft due to Emirates President, Sir Tim Clark, scepticism about the delivery timelines of the new aircraft types the airline has ordered with Airbus and Boeing. Boeing in particular keeps shifting delivery timelines on the 777X and 787 that could lead to Emirates cancelling orders and reconfiguring its long-term fleet plan.

Thai Airways International

Q3'22 Financial Highlights2[2]:

In the first nine months of 2022, Thai reported total revenue of THB 60.6 billion (US$ 1.6 billion) which were 326.9% higher than the same period last year. This is mainly due to a 605% increase in revenue from passenger and cargo transportation, which totalled to THB 54.6 billion (US$ 1.4 billion) as a result of greater traffic from the resumption of regular flights, considering that during this period last year the airline had to temporarily suspend flights. Total expenses were THB 58.3 billion (US$ 1.5 billion) and higher than last year by 111.8%. Fuel costs increased almost 8 times if compared with the same period in 2021. After accounting for finance costs and one-time items, Thai recorded a net loss of THB 8.5 billion (US$ 223.6 million). As of the end of Q3'22, cash and cash equivalents had increased by 346.6% to THB 22.8 billion (US$ 605 million) mainly from cash received from operating activities.

Operations:

In the third quarter of 2022, due to the growth in passenger traffic, the airline increased flight frequencies on international routes including Frankfurt, London, Munich, Zurich, Copenhagen, Seoul, Singapore, Kuala Lumpur, Jakarta, Denpasar and opened additional routes, including Tokyo (Haneda), Brussels, Jeddah, to support passenger travel demand and support the country's economic growth. Thai also had the route network of 31 destinations in 18 countries all over the world. in the summer schedule for passengers covering Europe, Australia and Asia from Bangkok to London, Paris, Zurich, Brussels, Frankfurt, Munich, Copenhagen, Stockholm, Sydney, Melbourne, Tokyo (Narita/Haneda), Nagoya, Osaka, Manila, Seoul, Taipei, Hong Kong, Singapore, Jakarta, Kuala Lumpur, Dhaka, Chennai, Bengaluru, New Delhi, Mumbai, Lahore, Islamabad and Karachi, as well as supporting routes for the Phuket Sandbox project including Frankfurt, London, Sydney, Copenhagen and Stockholm. In May 2022, the airline resumed its flights to Bali again, which has received the attention of tourists from both in-bounded and out-bounded passengers through Europe and Asia to continue their journey to Bali. In June 2022, Thai organized a special flight for Thai Muslim pilgrims who wanted to travel to perform Hajj in Saudi Arabia.

In the third quarter of 2022, Thai increased production traffic (ASK) by 309.0% while passenger traffic (RPK) increased by 3,034.2%. The average Cabin Factor was 59.6%, a significant increase compared to the 7.8% recorded for the same period last year. The numbers of passengers carried totaled 2.7 million, increased by 3,742.9% from the previous year where the carrier struggled due to travel restrictions. The cargo production (ADTK) was 314.2% and freight traffic (RFTK) was 160.8% higher than the previous year, consecutively. Freight load factor was 32.0% lower than the previous year.

[2] THB Figures are converted at THB 1 = US$ 0.026445.

Environmental, Social and Governance Policy

Introduction

The Company recognises that shareholders and other stakeholders now have a growing interest in the ESG considerations resulting from its business. Here we set out our current policy and approach to ensuring that the Company's level of engagement on ESG matters is commensurate with the size, nature and complexity of the business.

This Company's current policy seeks to address today's ESG considerations noting that it was incorporated in 2015 with a business model designed to run for twelve years without interruption. Subsequent acquisitions of aircraft and renegotiation of leases has pushed that end date out to 2036.

The Company has adopted a policy to uphold ESG standards where possible and applicable although recognising that this is constrained somewhat by the nature of the Company's activities and the existing contracts it has already entered into.

The Company has granted "quiet enjoyment" of its aircraft to its lessees, Emirates and Thai Airways. Shareholders are invited to review the environmental and sustainability criteria published by Emirates in their most recent annual report and the statements made by Thai on their website.

The Company

The Company is a Guernsey company incorporated on 16 January 2015.

The Company is governed by its Board on behalf of the shareholders. All directors are independent and non-executive. The Board has overall responsibility for the Company's activities including all business decisions and the declaration of distributions.

The Company has delegated the following activities to its appointed service providers:

- arranging the financing, acquisition and disposal of aircraft and the management of such aircraft whilst owned by the Group to its Asset Manager;
- arranging meetings with major shareholders and other shareholders as may reasonably be requested by the Company to discuss proposed developments in relation to the Company and providing feedback to the Board to the Corporate Broker;
- Company secretarial, administration and accounting services to the Secretary and Administrator; and
- share registration services to the Registrar.

The Company has no executive directors nor employees and for all purposes its business is deemed to be operating out of its registered office which is also the office of the Company Secretary in Guernsey. The Board conducts the Company's business via a series of meetings held in Guernsey or via a video link.

Sometimes directors are required to travel in the fulfilment of their duties and, where good governance allows, travel is kept to a minimum. Where travel restrictions put in place as a result of the COVID-19 pandemic permit, the directors are required to travel to Guernsey on at least a quarterly basis for Board meetings, to the UK to visit shareholders and service providers as and when required and very occasionally, to the Middle East or Asia to meet the Assets' lessees.

The Company consequently has a limited physical footprint and therefore its environmental impact is low.

The Board of Directors

The Board recognises the importance of gender diversity and ethnic inclusion. The Board take such considerations into account when searching for new directors. The Company's service providers also engage a number of executive women who are involved heavily in the affairs of the Company.

As a Guernsey incorporated company and under the DGTRs of the UK's FCA the Company is not required to comply with the UK Code but has instead chosen voluntarily to comply with the provisions of the AIC Code to the extent that they are considered relevant.

The Board has adopted a comply or explain approach to the AIC Code and exceptions are reported in the Directors' Report section of this publication.

Environmental, Social and Governance Policy (continued)

The Board has considered and determined the following two additional policies:

- there are no relevant disclosures to be made with regard to modern slavery in relation to the Company's own operations; and
- the Board takes a zero-tolerance approach to bribery and corruption; and has procured from all service providers their own similar undertaking.

Finally, the Board monitors potential conflicts of interest closely and has engaged with its service providers to request them to do the same and to adopt appropriate policies to deal with such matters.

The Assets

The principal activity of the Group is to acquire, lease and then sell aircraft. The Group currently owns six A380-800 aircraft, two 777-300ER aircraft and four A350-900 aircraft. The six A380s and the two Boeing 777 aircraft are leased to Emirates and the four A350 aircraft are leased to Thai Airways.

The nature of the leases entered into with these lessees means the Company has no influence whatsoever in the use by each lessee of the relevant aircraft; and each such lease is for a fixed term and is non-cancellable. The terms of each lease were fixed when they were entered into and afford the lessees quiet enjoyment of the relevant aircraft for the duration of the lease term; whilst ensuring each aircraft is maintained to the highest standard and remains as efficient as possible.

The Aviation Industry

The increased focus on climate change and greenhouse gas emissions inevitably means that further focus has landed on the aviation industry and its emissions profile. In this regard the Company is fortunate to have two responsible flag carrying airlines as its lessees who each demonstrate on their websites a considerable amount of concern for their respective businesses' environmental and social impact. The following links to their websites explain this:

Emirates = https://www.emirates.com/english/about-us/

Thai Airways = https://www.thaiairways.com/en_GB/about_thai/company_profile/index.page

ATAG aims that by 2050, global civil aviation operations will achieve net-zero carbon emissions. Airframe and engine manufacturers can and will contribute significantly to this effort.

The ATAG reports that previous to the pandemic, aircraft flights produced 915 million tons of carbon dioxide, or 2% of total "human-induced" carbon dioxide emissions. Among transport sources of carbon dioxide, aviation is responsible for just 12%, with road emissions comprising the vast majority at 74%.

As an asset owner, the Group is fortunate that its choice of aircraft were among the most environmentally efficient jet aircraft in service at the time of acquisition.

In the context of the aircraft the Group owns and their associated leases, the Board will continue to monitor the sustainability efforts of the industry and the lessees and will continue to have regard to environmental concerns when considering changes in the future to the Group's existing contracts.

Board of Directors

As at 30 September 2022, the Company had five directors, all of whom are independent and non-executive. All Directors held office throughout the period under review.

Robin Hallam (Chairman) (Independent non-executive)
Until 31 December 2015, Robin Hallam was a partner and co-head of Asset Finance at international law firm Hogan Lovells International LLP. He became a partner in 1995 specialising in aircraft finance, particularly leasing, export credit and structured financing. Between January and December 2016, Robin was a consultant at Hogan Lovells. He has represented financial institutions, operating lessors, investors, airlines and export credit agencies. Robin holds a degree in law from Trinity College, Cambridge, is a member of the International Society of Transport Aircraft Trading and was ranked Band 1 for Asset Finance in Chambers UK 2015. Robin was appointed to the Board as Chairman on 29 April 2015.

David Gelber (SID) (Independent non-executive)
David Gelber began his career with Citibank in London in 1974. Over the course of the next twenty years he held a variety of trading roles in foreign exchange, fixed income and derivatives at Citibank, Chemical Bank and HSBC where he was Chief Operating Officer of HSBC Global Markets. In 1994 he joined ICAP PLC, an inter-dealer broker, as COO and oversaw two mergers and a number of acquisitions. Since retiring from ICAP he has held several non-executive directors of both public and private companies. He is currently a non-executive director of Walker Crips PLC, a stock broker and wealth manager; and DDCAP Ltd, the leading arranger of Sharia Compliant financial transactions. He is a founding partner of Castellain Capital LLP, a successful fund management firm. David holds a BSc in Statistics and Law from the University of Jerusalem and an MSc in Computer Science from the University of London. David was appointed as director and a member of the Audit Committee on 29 April 2015.

Laurence Barron (Independent non-executive)
Having begun his career as a commercial lawyer in Paris and then in Tokyo, where he first became involved in aircraft financing transactions, Laurence joined Airbus in 1982 as an in-house lawyer specialising in aircraft finance. He subsequently moved to the business side when, in 1984, he was appointed Sales Finance Director North America, becoming Head of Sales Finance in 1985, and then, in 1987, Vice President of Customer Finance. In 1994, he was asked to set up the Asset Management Organisation within Airbus and that year became Vice President and Head of Asset Management. Airbus Asset Management has full responsibility for all used aircraft transactions at Airbus and acts as an in-house leasing company for the used Airbus aircraft owned or controlled by the Airbus group of companies. In 2001 he was promoted to Senior Vice President of Airbus before assuming the role of President of Airbus China in 2004, with responsibility for Airbus' overall activities in the People's Republic of China. In January 2013, Laurence was appointed Chairman of EADS China, now rebranded Airbus China. Laurence retired from salaried Airbus employment at the end of April 2016 and was non-executive Chairman of Airbus China until the end of 2017. He holds an LLB from Bristol University Law Faculty. Laurence was appointed as director and a member of the Audit Committee on 2 June 2016.

Steve Le Page (Chairman of the Audit Committee) (Independent non-executive)
Steve has served as a non-executive director on a number of boards since his retirement from his role as Senior Partner (equivalent to Executive Chairman) of PwC in the Channel Islands in 2013. Throughout his thirty year career with that firm he worked with many different types of financial organisation as both auditor and advisor, particularly with both listed and unlisted investment companies. He is currently the Audit Committee Chair of four other London listed funds. Mr Le Page is a Fellow of the Institute of Chartered Accountants in England and Wales and a Chartered Tax Advisor. He is a past president of the Guernsey Society of Chartered and Certified Accountants and a past Chairman of the Guernsey International Business Association. Steve was appointed as director and chairman of the Audit Committee on 27 July 2021.

Mary Gavigan (Independent non-executive)
Mary is a Fellow of the Institute of Chartered Accountants in England & Wales. She has specialised in the Financial Services sector for over 25 years acting as consultant and advisor with a focus on restructuring and business transformation. She has also held interim Chief Finance Officer roles during her career. Mary spent the majority of her career at KPMG though it is over 10 years ago since she left the firm. Mary is also a Non-Executive Director of the National Deposit Friendly Society Ltd where she is Chair of its Audit Committee. Mary is also a Non-Executive Director of TransRe London Limited and the Chair of the Audit & Risk committee. Mary's charity work includes being a Trustee of Epilepsy Research UK. Mary holds a BBS and MA from Trinity College Dublin. Mary was appointed as director and a member of the Audit Committee on 27 July 2021.

Interim Management Report

A description of important events that have occurred during the period under review, their impact on the financial statements and a description of the principal risks and uncertainties facing the Group, together with an indication of important events that have occurred since the end of the period under review and which are likely to affect the Group's future development are included in the Chairman's Statement, the Asset Manager's Report, this Interim Management Report and the Notes to the condensed consolidated financial statements contained on pages 20 to 40 and are incorporated herein by reference.

There were no other events or changes in the related parties and transactions with those parties during the period under review which had or could have had a material impact on the financial position and performance of the Group, other than those disclosed in this condensed consolidated half-yearly financial report.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Group are unchanged from those disclosed in the Group's annual financial report for the year ended 31 March 2022. Recent macroeconomic developments (including increasing interest rates, high levels of inflation and increased fuel prices (not least because of the Russian invasion of Ukraine)) have had adverse impacts on the airline industry generally and therefore on our lessees. However, the Board do not consider that these developments have any direct impact on the Group (as demonstrated by the fact that it has continued to receive rents due on time) and have therefore not changed their assessment of the risks faced by the Group.

Going Concern

The Group's principal activities are set out within the Corporate Information on pages 41 to 42. The financial position of the Group is set out on page 17. In addition, note 18 to the condensed 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 have prepared these financial statements for the period ended 30 September 2022 on the going concern basis.

In 2020 Thai Airways stopped paying the amounts due under the leases and also entered into a bankruptcy protection process under Thai Law. These factors indicated material uncertainties around the Group's ability to operate as a going concern, as the ultimate outcome of the process and its impact on the Group could not be determined. Thai Airways remains in bankruptcy protection, but the relevant leases and associated debt have been restructured (as explained in the annual report), considerably reducing the uncertainty around the Group's going concern status.

In their consideration of the appropriateness of the going concern basis, the Directors have taken account of the fact that throughout the period of the COVID 19 pandemic the Group received the lease payments due from Emirates Airlines, the Group's principal lessee, in full and on time. Power by the hour receipts due under the restructured leases from Thai Airlines have reached the level at which those subsidiaries are able to meet their own debt service obligations and are no longer dependent on parental support. The Russian invasion of Ukraine and the subsequent sanctions and economic fallout have, as expected, had little impact on the Group. Political turmoil in the UK has had no impact on the Group's operations. Cash flow modelling carried out has indicated that future lease receipts, based on current aircraft utilisation on aircraft leased to Thai, can enable the Group to meet its obligations as they fall due for at least the next twelve months from the date of signing these financial statements.

On an assessment covering the next 12 months of (i) the Group's current liquid assets, (ii) cash-flow projections, and (iii) the current improving landscape for travel, the Directors believe that the going concern basis of accounting is appropriate.

Responsibility Statement

Responsibility Statement

The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

In preparing the condensed set of consolidated financial statements included within the half-yearly financial report, the directors are required to:

- prepare and present the condensed set of 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 condensed set of consolidated financial statements has adequate disclosures;
- select and apply appropriate accounting policies; and
- make accounting estimates that are reasonable in the circumstances.
- assess the Group'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 condensed set of 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 condensed set of consolidated financial statements included within the half-yearly financial report of Amedeo Air Four Plus Limited for the six months ended 30 September 2022 ("the interim financial information") which comprises condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of cash flows, condensed 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 condensed set of consolidated 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 on 13 December 2022.

Steve Le Page
Director

Independent Review Report for Amedeo Air Four Plus Limited

Conclusion

We have been engaged by Amedeo Air Four Plus Limited and subsidiaries (together "the Group") to review the Group's condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 September 2022 which comprises condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity, summary of significant accounting policies and other explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 September 2022 is not prepared, in all material respects in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as contained in the UK adopted International Accounting Standards and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor* of the Entity ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We read the other information contained in the half-yearly financial report to identify material inconsistencies with the information in the condensed set of consolidated financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the review. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The directors are responsible for preparing the condensed set of consolidated financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

The latest annual financial statements of the Group were prepared in accordance with International Financial Reporting Standards as approved by the International Accounting Standards Board ("IASB") and in accordance with international accounting standards in conformity with the requirements of the Companies (Guernsey) Law, 2008 and the next annual financial statements will be prepared in accordance with UK-adopted international accounting standards.

In preparing the condensed set of consolidated financial statements, the directors are responsible for assessing the Group'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.

Independent Review Report for Amedeo Air Four Plus Limited (continued)

Our responsibility
Our responsibility is to express to the Group a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities
This report is made solely to the Group in accordance with the terms of our engagement to assist the Group in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Group those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group for our review work, for this report, or for the conclusions we have reached.

13 December 2022

KPMG
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

Condensed Consolidated Statement of Comprehensive Income

for the period from 1 April 2022 to 30 September 2022

	Notes	1 Apr 2022 to 30 Sep 2022 GBP	1 Apr 2021 to 30 Sep 2021 GBP
INCOME			
US Dollar based rent income	4	88,414,747	78,079,704
British Pound based rent income	4	17,384,855	17,354,258
		105,799,602	95,433,962
EXPENSES			
Operating expenses	5	(2,385,274)	(2,965,559)
Depreciation and amortisation of aircraft		(63,736,511)	(55,605,841)
Expected credit loss	12	–	(22,171,247)
		(66,121,785)	(80,742,647)
Net profit for the period before finance income, finance costs and foreign exchange gains		39,677,817	14,691,315
FINANCE INCOME			
Finance income	10	35,320,637	1,156,972
FINANCE COSTS			
Finance costs	11	(20,311,633)	(18,910,287)
Foreign exchange gains		1,123,422	211,900
Profit/(Loss) before tax		55,810,243	(2,850,100)
Income tax (expense)/credit		(12,716)	64,797
Profit/(Loss) for the period after tax		55,797,527	(2,785,303)
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss			
Translation adjustment on foreign operations	2f	46,273,648	5,618,362
Total comprehensive income for the period		102,071,175	2,833,059
		Pence	Pence
Earnings/(Loss) per share for the period – basic and diluted	8	16.07	(0.65)

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

The notes on pages 20 to 40 form an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Financial Position

as at 30 September 2022

	Notes	30 Sep 2022 GBP	31 Mar 2022 GBP
NON-CURRENT ASSETS			
Aircraft	9	1,353,520,480	1,209,709,751
Trade and other receivables	12	18,579,839	14,715,782
Derivatives at fair value through profit and loss	17	58,142,123	23,249,102
Deferred tax		75,542	74,193
Accrued income	22	35,439,315	–
		1,465,757,299	1,247,748,828
CURRENT ASSETS			
Accrued income	22	4,422,581	21,111,849
Short term investments	13	8,822,337	20,770,215
Trade and other receivables	12	2,772,455	1,579,769
Cash and cash equivalents	20	145,874,229	101,644,952
		161,891,602	145,106,785
TOTAL ASSETS		1,627,648,901	1,392,855,613
CURRENT LIABILITIES			
Payables	14	207,308	143,708
Deferred income	22	6,056,416	5,450,353
Maintenance provisions	21	164,118	139,534
Borrowings	15	108,675,573	81,721,825
		115,103,415	87,455,420
NON-CURRENT LIABILITIES			
Maintenance provisions	21	72,388,934	58,215,979
Borrowings	15	1,011,391,386	912,906,773
Deferred income	22	21,612,772	20,513,385
		1,105,393,092	991,636,137
TOTAL LIABILITIES		1,220,496,507	1,079,091,557
TOTAL NET ASSETS		407,152,394	313,764,056
EQUITY			
Share capital	16	520,983,612	520,983,612
Foreign currency translation reserve		76,894,253	30,620,605
Retained deficit		(190,725,471)	(237,840,161)
		407,152,394	313,764,056
		Pence	Pence
Net Asset Value Per Share based on 347,313,483 (31 March 2022: 347,313,483) shares in issue.		117.23	90.34

The financial statements were approved by the Board and authorised for issue on 13 December 2022.

The notes on pages 20 to 40 form an integral part of these condensed consolidated financial statements.

Financial Statements

Condensed Consolidated Statement of Cash Flows

for the period from 1 April 2022 to 30 September 2022

	Notes	1 Apr 2022 to 30 Sep 2022 GBP	1 Apr 2021 to 30 Sep 2021 GBP
OPERATING ACTIVITIES			
Gain/(Loss) for the period after tax		55,797,527	(2,785,303)
Interest income		(825,683)	(105,889)
Depreciation and amortisation of aircraft	9	63,736,511	55,605,841
Gain on interest rate cap		(101,874)	–
Expected credit loss		–	22,171,247
Taxation expense/(credit)		12,716	(64,797)
Loan interest payable	11	19,505,019	18,137,803
Fair value adjustments on financial assets	10	(34,255,397)	(1,051,083)
Foreign exchange movement		(1,123,422)	(211,900)
Amortisation of debt arrangement costs	11	806,614	772,484
Increase in accrued income		(17,023,653)	(1,267,223)
Decrease in deferred income		(2,176,728)	(1,935,802)
Increase in payables		62,251	21,235
Maintenance reserves received	21	3,675,945	–
Increase in receivables		(2,040,872)	(22,515,751)
NET CASH FROM OPERATING ACTIVITIES		**86,048,954**	**66,770,862**
INVESTING ACTIVITIES			
Investment in short term deposits	13	(8,822,337)	(36,587,058)
Withdrawal from short term deposits	13	20,770,215	22,789,120
Interest received		825,683	105,889
NET CASH FROM/(USED IN) INVESTING ACTIVITIES		**12,773,561**	**(13,692,049)**
FINANCING ACTIVITIES			
Dividends paid	7	(8,682,837)	–
Repayments of capital on senior loans		(45,558,509)	(47,459,584)
Payments of interest on senior loans		(14,441,003)	(13,324,600)
Payments of interest on junior loans		(5,796,009)	(5,138,465)
Security trustee and agency fees	11	(109,483)	(95,782)
Premium paid on derivatives acquired		–	(3,647,627)
Gain received on derivatives		144,593	–
NET CASH USED IN FINANCING ACTIVITIES		**(74,443,248)**	**(69,666,058)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**101,644,952**	**118,060,583**
Increase/(decrease) in cash and cash equivalents		24,379,267	(16,587,245)
Effects of foreign exchange rates		19,850,010	1,869,566
CASH AND CASH EQUIVALENTS AT END OF PERIOD	20	**145,874,229**	**103,342,904**

The notes on pages 20 to 40 form an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

for the period from 1 April 2022 to 30 September 2022

	Notes	Share capital GBP	Retained deficit GBP	Foreign currency translation reserve GBP	Total GBP
Balance as at 1 April 2022		520,983,612	(237,840,161)	30,620,605	313,764,056
Profit for the period		–	55,797,527	–	55,797,527
Other comprehensive gain for the period		–	–	46,273,648	46,273,648
Total comprehensive gain for the period		–	55,797,527	46,273,648	102,071,175
Transactions with owners of the Company:					
Dividends paid	7	–	(8,682,837)	–	(8,682,837)
Balance as at 30 September 2022		520,983,612	(190,725,471)	76,894,253	407,152,394

	Notes	Share capital GBP	Retained deficit GBP	Foreign currency translation reserve GBP	Total GBP
Balance as at 1 April 2021		550,834,003	(258,097,224)	18,957,528	311,694,307
Loss for the period		–	(2,785,303)	–	(2,785,303)
Other comprehensive gain for the period		–	–	5,618,362	5,618,362
Total comprehensive gain for the period		–	(2,785,303)	5,618,362	2,833,059
Transactions with owners of the Company:					
Balance as at 30 September 2021		550,834,003	(260,882,527)	24,575,890	314,527,366

The notes on pages 20 to 40 form an integral part of these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements
for the period ended 30 September 2022

1. GENERAL INFORMATION

The condensed consolidated financial information incorporates the results of Amedeo Air Four Plus Limited (the "Company"), AA4P Alpha Limited, AA4P Beta Limited, AA4P Gamma Limited, AA4P Delta Limited, AA4P Epsilon Limited, AA4P Zeta Limited, AA4P Eta Limited, AA4P Theta Limited, AA4P Lambda Limited, AA4P Mu Limited, AA4P Nu Limited, AA4P Leasing Ireland Limited, AA4P Leasing Ireland 2 Limited and AA4P Xi Limited (each a "Subsidiary" and together the "Subsidiaries") (together the Company and the Subsidiaries are known as the "Group").

The Company was incorporated in Guernsey on 16 January 2015 with registered number 59675. Its share capital consists of one class of redeemable ordinary shares ("Shares"). The Shares are admitted to trading on the SFS of the London Stock Exchange's Main Market. The Company and the Guernsey Subsidiaries are tax residents in Guernsey. AA4P Leasing Ireland Limited and AA4P Leasing Ireland 2 Limited are Irish tax resident trading companies.

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

Since the completion of its initial public offering on 13 May 2015, the Company has acquired eight Airbus A380, two Boeing 777-300ER and four Airbus A350-900 aircraft and has sold two Airbus A380 aircraft. Eight of the remaining aircraft are leased to Emirates and four are leased to Thai Airways. All aircraft are leased for a period of 12 years from each respective delivery date, except the four aircraft leased to Thai Airways, where the lease agreements were extended by 72 months. In order to complete the purchase of these aircraft, subsidiaries of the Company entered into debt financing arrangements which together with the equity proceeds were used to finance the acquisition of the aircraft.

Rental income received is used to pay loan interest and regular capital repayments of debt. US Dollar lease rentals and loan repayments are furthermore fixed (except for PBH rent due until 31 December 2022), some making use of interest rate swaps, at the outset of the Group's acquisition of an aircraft and are very similar in amount and timing save for the repayment of bullet and balloon repayments of principal due on the final maturity of a loan.

2. ACCOUNTING POLICIES

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

(a) Basis of preparation

The condensed consolidated interim financial statements have been prepared in conformity with the International Accounting Standard 34 Interim Financial Reporting and applicable Guernsey law. The financial statements have been prepared on a historical cost basis under International Financial Reporting Standards.

This report is to be read in conjunction with the annual report for the year ended 31 March 2022 which is prepared in accordance with International Financial Reporting Standards and any public announcements made by the Company during the interim reporting period. The report does not include all of the information required for a complete set of financial statements prepared in accordance with IFRS. However, selected accounting policies and explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The comparative period for the Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Cash Flows, Condensed Consolidated Statement of Changes in Equity and the related notes was from 1 April 2021 to 30 September 2021. The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new and amended standards as set out below.

Changes in accounting policies and disclosure

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

2. ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

New and amended IFRS Standards that are effective for the current period

The following Standard and Interpretation issued by the International Accounting Standards Board (the "IASB") and International Financial Reporting Standards Interpretations Committee ("IFRIC") will be adopted in the current year. The adoption will not have any impact on the amounts reported in these financial statements and is not expected to have any impact on future financial periods:

IAS 16 'Property, Plant and Equipment' – Proceeds before Intended Use. The proposed amendment would prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The effective date is for annual periods beginning on or after 1 January 2022. Early application is permitted. The standard is not expected to have a material impact on the financial statements or performance of the Group.

IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - changes in Onerous Contracts. Cost of Fulfilling a Contract specifying that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date is for annual periods beginning on or after 1 January 2022. The standard does not have a material impact on the financial statements or performance of the Group.

New and Revised Standards in issue but not yet effective

Insurance contracts — Amendments to IFRS 17. Issued in May 2017, IFRS 17 sets out the requirements for a company reporting information about insurance contracts it issues and reinsurance contracts it holds. The amendments are aimed at helping companies implement the Standard and making it easier for them to explain their financial performance. The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted. This amendment is not expected to have any material impact on the financial statements or performance of the Group.

Classification of Liabilities as Current or Non-current, which amended IAS 1 Presentation of Financial Statements. The amendments clarified how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances. The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted. This amendment is not expected to have any material impact on the financial statements or performance of the Group.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2. In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by: replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The effective date is for annual periods beginning on or after 1 January 2023. The Group is in the process of assessing the amendments to the standard but it is not expected to have a material impact on the financial statements or performance of the Group.

Definition of Accounting Estimates – Amendments to IAS 8. In February 2021, the IASB issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the IASB. The effective date is for annual periods beginning on or after 1 January 2023.

2. ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

The standard is not expected to have a material impact on the financial statements or performance of the Group as the amendment is in line with current treatment by the Group.

Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction - Amendments to IAS 12. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. This amendment is not expected to have any material impact on the financial statements or performance of the Group.

(b) Foreign currency translation

The currency of the primary economic environment in which the Company operates (the functional currency) is Great British Pounds ("GBP") which is also the presentation currency. The Subsidiaries of the Company all have the same functional currency being US Dollar ("USD").

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

Retranslation of subsidiaries:

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

On consolidation the financial statements of foreign subsidiaries whose functional currency is not GBP are translated into GBP as follows: statement of financial position items are translated into GBP at the period end exchange rate; statement of income items are translated into GBP at the exchange rates applicable at the transaction dates or at the average exchange rates at each respective quarter end, as long as this is not rendered inappropriate as a basis for translation by major fluctuations in the exchange rate during the period; unrealised gains and losses arising from the translation of the financial statements of foreign subsidiaries are recorded under "Translation adjustment on foreign operations" in other comprehensive income to be reclassified to income. The cumulative gains and losses arising from the translation of the financial statements of foreign subsidiaries are reclassified to profit and loss on disposal or liquidation of foreign subsidiaries.

(c) Going concern

The Directors have prepared these financial statements for the period ended 30 September 2022 on the going concern basis.

In 2020 Thai Airways had stopped paying the amounts due under the leases and had also entered into a bankruptcy protection process under Thai Law. These factors indicated material uncertainties around the Group's ability to operate as a going concern, as the ultimate outcome of the process and its impact on the Group could not be determined. Thai Airways remains in bankruptcy protection, but the relevant leases and associated debt have been restructured (as explained in the annual report), considerably reducing the uncertainty around the Group's going concern status.

In their consideration of the appropriateness of the going concern basis, the Directors have taken account of the fact that throughout the period of the COVID 19 pandemic the Group has received the lease payments due from Emirates Airlines, the Group's principal lessee, in full and on time. Power by the hour receipts due under the restructured leases from Thai Airlines have reached the level at which those subsidiaries are able to meet their own debt service obligations and are no longer dependent on parental support. The Russian invasion of Ukraine and the subsequent sanctions and economic fallout have, as expected, had little impact on the Group. Political turmoil in the UK has had no impact on the Group's operations. Cash flow modelling carried out has indicated that future lease receipts, based on current aircraft utilisation on aircraft lease to Thai, can enable the Group to meet its obligations as they fall due for at least the next twelve months from the date of signing these financial statements.

On an assessment covering the next 12 months of (i) the Group's current liquid assets, (ii) cash-flow projections, and (iii) the current improving landscape for travel, the Directors believe that the going concern basis of accounting is appropriate.

2. ACCOUNTING POLICIES (continued)

(d) 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 Condensed Consolidated Statement of Financial Position. Further details of the leases are given in note 4.

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 four A350-900 aircraft have variable lease rentals. PBH rent will be paid up until 31 December 2022 after which a fixed amount per aircraft is payable up until the original expiry date of the lease agreements. The lease agreements were also extended by 72 months. During the extended lease term an amount to be agreed in writing between the Lessee and the Lessor, will be paid. The lease rates for the extended term will agreed between the parties close to the original expiry date or an agreed date in the future.

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. The liability in relations to deferred income will reduce over time as the leases continue and approach the end of the lease terms. For the four A350-900 aircraft, the accrued income was calculated using a lease rate for the extended period determined by taking the average base lease rate from three appraisers.

(e) Property, plant and equipment – Aircraft

In line with IAS 16 Property Plant and Equipment, each asset is initially recorded at cost, being the fair value of the consideration paid. The cost of the asset is made up of the purchase price of the assets 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 costs to the Group. Accumulated depreciation and any recognised impairment losses are deducted from cost to calculate the carrying amount of the asset.

(a) Depreciation

Depreciation is recognised so as to write off the cost of each asset less the estimated residual value over the lease term of the asset, using the straight line method. The depreciation method is consistent with the depreciation method used as at 31 March 2022. The Group will again be carrying out a full and thorough appraisal of residual values come the next March financial year end.

Depreciation starts when the asset is available for use.

(b) Impairment

At each financial year end, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. 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.

(f) Financial assets and financial liabilities

The interest rate swaps in the Group are measured at Fair Value through Profit or Loss ("FVTPL") as it is managed on a fair value basis in accordance with a documented investment strategy. The interest rate swaps do not meet the SPPI criterion (solely payments of principal and interest) and accordingly it will be mandatorily measured at FVTPL under IFRS 9. The Group does not classify any derivatives as hedges in a hedging relationship.

(a) Recognition/derecognition

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are derecognised if the Group's obligations, specified in the contract, expire or are discharged or cancelled.

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.

2. ACCOUNTING POLICIES (continued)

(f) Financial assets and financial liabilities (continued)

(b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Condensed Consolidated Statement of Comprehensive Income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets

Subsequent measurement of financial assets depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its financial assets into the following measurement category:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the Condensed Consolidated Statement of Comprehensive Income and presented in other gains / (losses), together with foreign exchange gains and (losses). Provision for impairment losses are presented as a separate line item in the Condensed Consolidated Statement of Comprehensive Income.

Financial assets currently measured at amortised cost are cash and cash equivalents, receivables and short-term investments. These instruments meet the solely principal and interest criterion and are held in a held-to-collect business model. Accordingly, they will continue to be measured at amortised cost under IFRS 9.

Derivative instruments

Changes in the fair value of financial assets at FVTPL are recognised in the Condensed Consolidated Statement of Comprehensive Income as applicable.

Financial assets and financial liabilities at FVTPL are initially recognised at fair value. Transaction costs are expensed in the Condensed Consolidated Statement of Comprehensive Income. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Condensed Consolidated Statement of Comprehensive Income in the period in which they arise.

(c) Impairment

The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Group measures loss allowances at an amount equal to lifetime ECL. Loss allowances for trade debtors and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

As per IFRS 9, a receivable has a low credit risk if:

- It has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

2. ACCOUNTING POLICIES (continued)

(f) Financial assets and financial liabilities (continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

For trade and other receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Refer to note 12 for provision for impairment with respect to trade and other receivables.

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 significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements. As such only the significant judgements and estimates are included that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Residual value of Aircraft used in depreciation calculation

As described in note 2(e), the Group depreciates the Assets on a straight line basis over the term of the lease after taking into consideration the estimated residual value. IAS 16 Property, Plant and Equipment requires residual value to be determined as an estimate of the amount that the Group would currently obtain from disposal of the Asset, after deducting the estimated costs of disposal, if it were of the age and condition expected at the end of the lease.

After consulting with the Asset Manager, the Directors have concluded that forecast values (determined annually from three independent expert aircraft valuers) based on Minimum Return Conditions ("MRC") for the A380 aircraft at the end of the lease (excluding inflationary effects) best approximates residual value. Minimum return conditions refer to the lease contracts whereby the aircraft is returned in a specified minimum life condition, which also includes estimated monetary compensation from Emirates. This approach in the Directors view remains relevant having considered a recent event, which was the agreed and announced sale of MSN 16 by DNA1 to Emirates at lease end in December 2022, thereby creating a relevant secondary market trade.

In estimating residual value at the 31 March 2022 audited annual year end for the A350's and Boeing 777-300ER aircraft, the Directors have made reference to forecast market values using base values (excluding inflationary effects) for the aircraft obtained from three independent expert aircraft valuers. Base value is the appraiser's opinion of the underlying economic value of an aircraft, in an open, unrestricted, stable market environment with a reasonable balance of supply and demand. Full consideration is assumed of its "highest and best use" given the fact that the aircraft are held for use in a leasing business.

An asset's base value is determined using the historical trend of values and in the projection of value trends and presumes an arm's-length, cash transaction between willing, able, and knowledgeable parties, acting prudently, with an absence of duress and with a reasonable period of time available for marketing. In the appraisers' valuations, the base value of an aircraft excludes reconfiguration costs and assumes the physical condition is average for an asset of its type and age and that all maintenance requirements and schedules have been met.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

The estimation of residual value remains subject to uncertainty. If a reasonable possible change in residual value in USD terms, had for instance, decreased by 20% with effect from the beginning of this period, the net profit/(loss) before exchange gains for the period would have increased and closing shareholders' equity would have decreased by approximately £6.28 million (30 September 2021: £6.19 million). An increase in residual value by 20% 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.

Impairment

Factors that are considered important which could trigger an impairment review include, but are not limited to, significant decline in the market value beyond that which would be expected from the passage of time or normal use, significant changes in the technology and regulatory environments, evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

As described in note 2(l), 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 value in use. The Directors review the carrying amounts of the Assets at each audited reporting date 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 Board has considered the book value of its Aircraft and discussed whether in light of recent announcements and events since 1 April 2022, an impairment review needs to be carried out again at this juncture. On the advice of its Asset Manager, the conclusion reached was that whilst it would be wise for the Board not to lay too great a reliance on the current carrying book value as a measure of net asset value for investment purposes, there were still too few new data points available on which a new appraisal post 31 March 2022 can be prepared at the 30 September 2022 period end and used for a full impairment analysis. Nonetheless a review was carried out for the Group's Assets and Lessees for the period ending 30 September 2022 and it was determined that there have been no significant developments within the market that would trigger impairment, such as i) another wave of COVID, ii) increased lockdown/travel restrictions, iii) increased aircraft retirements or even iv) introduction of new technology that would lead to increased competition. There has been a rise in significant global events such as i) Russian invasion of Ukraine, ii) Restrictions in China, iii) inflation, and iv) interest rate growth, however, these has been no notable change to the status of the Group's lessees, which would adversely impact operations or income received by the Group. These factors considered, the Group deems there have been no specific triggering events that would require a full impairment review and the assessment at 31 March 2022 remains valid. The Group will again be carrying out a full and thorough appraisal of residual values at the next March financial year end.

The Directors have also considered that market capitalisation at period end of £114,613,449 (31 March 2022: £105,583,299) is below Net Asset value of £407,152,394 (31 March 2022: £313,764,056) and have concluded that no further aircraft impairment charge is necessary due to the fact impairment was performed as at 31 March 2022 using the inputs from competent aircraft appraisers and market capitalisation also reflects psychology of market participants which is not relevant for aircraft impairment assessment at year end. Market capitalisation has also increased since 31 March 2022.

Rental income for extended period of A350-900 aircraft

For the four A350-900 aircraft, the accrued income was calculated using a lease rate for the extended period determined by taking the average future base lease rate from three appraisers.

4. RENTAL INCOME

	1 Apr 2022 To 30 Sep 2022 GBP	1 Apr 2021 To 30 Sep 2021 GBP
US Dollar based rent income	69,228,324	74,885,362
Revenue earned but not yet received	16,971,895	1,225,136
Revenue received but not yet earned	(85,912)	(44,460)
	86,114,307	76,066,038
Amortisation of advanced rental income (US Dollar)	2,300,440	2,013,666
	88,414,747	78,079,704
British Pound based rent income	17,370,897	17,345,575
Revenue earned but not yet received	51,758	42,087
Revenue received but not yet earned	(37,800)	(33,404)
	17,384,855	17,354,258
Total rental income	105,799,602	95,433,962

Rental income is derived from the leasing of the Assets. US Dollar based rent represents rent received in USD and British Pound based rent represents rent received in "GBP". Rental income received in USD is earned by the subsidiaries and is consolidated by translating it into the presentation currency (GBP) at the average exchange rates at each respective quarter end.

An adjustment has been made to spread the actual total income receivable over the term of the lease on an annual basis. In addition, advance rentals received have also been spread over the full term of the leases.

The contingent rent including PBH rent for the period ended 30 September 2022 is £12,022,777 (30 September 2021: £704,538).

5. OPERATING EXPENSES

	1 April 2022 to 30 Sep 2022 GBP	1 April 2021 to 30 Sep 2021 GBP
Corporate and shareholder adviser fee	40,000	43,671
Asset management fee	1,560,459	1,393,138
Administration fees	183,415	212,557
Bank charges	4,847	3,850
Registrar's fee	7,143	6,349
Audit fee	64,422	70,349
Directors' remuneration	174,500	139,153
Director's' and Officers' insurance	102,778	138,524
Legal and professional expenses	136,805	897,219
Annual regulatory fees	937	7,632
Sundry costs	84,898	23,410
Cash management fee	25,070	29,707
	2,385,274	2,965,559

6. DIRECTORS' REMUNERATION

The directors' fees are £65,000 (30 September 2021: £61,500) per annum with the Chairman receiving an additional fee of £16,000 (30 September 2021: £15,375) per annum and the Chairman of the audit committee an additional £8,000 (30 September 2021: £7,687) per annum.

Notes to the Condensed Consolidated Financial Statements

for the period ended 30 September 2022 (continued)

7. DIVIDENDS IN RESPECT OF SHARES

	1 Apr 2022 to 30 Sep 2022		1 Apr 2021 to 30 Sep 2021	
	GBP	Pence per Share	GBP	Pence per Share
First dividend	4,341,418	1.2500	–	–
Second dividend	4,341,419	1.2500	–	–
	8,682,837	2.5000	–	–

8. EARNINGS/ (LOSS) PER SHARE

Earnings/ (loss) per Share is based on the profit for the period of £55,797,527 (30 September 2021: loss of £2,785,303) and 347,313,483 shares (30 September 2021: 434,141,757 shares) being the weighted average number of Shares in issue during the period.

There are no dilutive instruments and therefore basic and diluted Profit /Loss per Share are identical.

9. PROPERTY, PLANT AND EQUIPMENT – AIRCRAFT

	Aircraft 30 Sep 2022 GBP	Aircraft 31 Mar 2022 GBP
COST		
Aircraft purchases – opening balance	1,927,735,270	1,927,735,270
Acquisition costs – opening balance	8,364,798	8,364,798
Translation adjustment on foreign operations-opening balance*	129,681,811	33,009,871
Cost at beginning of period/year	2,065,781,879	1,969,109,939
Translation adjustment on foreign operations-current year*	363,962,284	96,671,940
Cost as at period/year end	2,429,744,163	2,065,781,879

	30 Sep 2022 GBP	31 Mar 2022 GBP
ACCUMULATED DEPRECIATION, IMPAIRMENT AND AMORTISATION		
Opening balance	857,509,081	739,290,369
Translation adjustment on foreign operations-opening balance*	(1,436,953)	(40,492,260)
	856,072,128	698,798,109
Depreciation for the current period/year based on previous year residual values	62,979,992	111,930,032
Amortisation of acquisition costs on aircraft	756,519	756,519
Adjustment due to change in useful life	–	(1,246,006)
Adjustment due to change of residual value	–	1,943,563
Net depreciation charge on all aircraft for the period/year	63,736,511	113,384,108
Translation adjustment on foreign operations*	156,415,044	38,980,770
Accumulated depreciation as at period/year end	1,076,223,683	851,162,987
Adjustment due to impairment	–	4,834,603
Translation adjustment on foreign operations*	–	74,538
Accumulated depreciation and impairment as at period/year end	1,076,223,683	856,072,128
Carrying amount – opening balance	1,209,709,751	1,270,311,830
Carrying amount as at period/year end	1,353,520,480	1,209,709,751

***Translation adjustment on foreign operations**

In 2019 the decision was made by the Board to re-designate the functional currency of the subsidiaries to USD and to classify them as foreign operations. Therefore the carrying values of the aircraft in the subsidiaries in USD have been re-translated at the closing Sterling / US Dollar exchange rate at 30 September 2022 (and 31 March 2022) for consolidation purposes through "Translation adjustment on foreign operations".

9. PROPERTY, PLANT AND EQUIPMENT – AIRCRAFT (continued)

Financing of aircraft

In order to complete purchases of the aircraft, subsidiaries of the Company have entered into debt financing agreements with a senior fully amortising loan and junior balloon loan (see note 15). The Company used the equity proceeds in addition to the finance agreements to finance the acquisition of the aircraft.

The Group's aircraft with carrying values of £1,353,520,480 (31 March 2022: £1,209,709,751) are pledged as security for the Group's borrowings (see note 15).

Sale of aircraft

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). Under IAS 16 the direct costs attributed in negotiating and arranging the operating leases have been added to the carrying amount of the leased Asset and recognised as an expense over the lease term.

Impairment

Refer to note 3 and the 31 March 2022 annual report for consideration by the Group with respect to an impairment test for the period.

10. FINANCE INCOME

	1 April 2022 to 30 Sep 2022 GBP	1 April 2021 to 30 Sep 2021 GBP
Fair value gain on derivatives at fair value through profit and loss*	34,357,271	1,051,083
Bank interest received	825,683	105,889
Unwinding of receivables for time value of money	137,683	–
	35,320,637	1,156,972

* This is the movement in the fair value of the derivatives for the period.

The drivers for the change in the fair values of the interest rate swaps and interest caps for the period are primarily as a result of the movement in the GBP/USD exchange rate as these derivatives are in USD, and the movement in interest rates, as well as due to the passage of time as the notional amounts amortise in line with the underlying liabilities. See page 44 for further details of the derivatives held by the Group.

11. FINANCE COSTS

	1 April 2022 to 30 Sep 2022 GBP	1 April 2021 to 30 Sep 2021 GBP
Amortisation of debt arrangements costs	806,614*	772,484*
Interest payable on loan**	19,395,536*	18,042,021*
Security trustee and agency fees	109,483	95,782
	20,311,633	18,910,287

*Included in Finance costs is interest on the amortised cost liability for the period of £20,202,150 (30 September 2021: £18,814,505).

** This amount includes £1,016,513 interest paid (30 September 2021: £1,017,914 interest paid) from the interest rate swaps.

12. TRADE AND OTHER RECEIVABLES

	30 Sep 2022 GBP	31 Mar 2022 GBP
Non-current		
Trade receivables*	18,579,839	14,715,782
Current		
Prepayments	224,847	155,383
VAT receivable	–	6,609
Trade receivables	2,547,608	1,417,777
	2,772,455	1,579,769

The above carrying value of receivables is deemed to be materially equivalent to fair value.

* This amount includes lease rental by Thai Airways not previously written off, discounted for the time value of money at the period end in accordance with the Thai rehabilitation plan. These are included in the non-current trade receivables at £4,823,031 (31 March 2022: £3,973,496) and is expected to be repaid by the lessee between 2024 and 2027. Debts amounting to £22,171,247 which were provided against by way of expected credit losses at 30 September 2021 were written off when the Thai leases were restructured in December 2021.

Remaining trade receivables at period end are considered receivable, with any identified impairment losses on such assets not considered significant. Information about the Group's exposure to credit risk and impairment loss for trade receivables is included in Note 18 c.

13. SHORT TERM INVESTMENTS

	30 Sep 2022 GBP	31 Mar 2022 GBP
Short term investments	8,822,337	20,770,215
	8,822,337	20,770,215

The above investments represent certificates of deposit maturing within 12 months and are held by HSBC Securities Services in London under a custody agreement between Ravenscroft Cash Management Limited and HSBC Bank plc for Global Custody Services. Impairment losses on these investments are not considered significant as they are held with reputable international banking institutions. Also refer to note 20.

14. PAYABLES

	30 Sep 2022 GBP	31 Mar 2022 GBP
Accrued administration fees	121,054	50,242
Accrued audit fee	83,264	90,996
Accrued registrar fee	656	1,906
Other accrued expenses	2,334	564
	207,308	143,708

The above carrying value of payables is equivalent to the fair value due to their short-term maturity period and nature as repayable on demand.

15. BORROWINGS

	30 Sep 2022 GBP	31 Mar 2022 GBP
Borrowings		
Bank loans	1,129,770,958	1,003,624,894
Unamortised arrangement fees	(9,704,001)	(8,996,296)
	1,120,066,957	994,628,598
Consisting of:		
Senior loans ($979,071,243 at 30 September 2022, $1,034,806,533 at 31 March 2022)	876,518,570	787,643,883
Junior loans ($272,043,548 at 30 September 2022, $271,936,519 at 31 March 2022)	243,548,387	206,984,715
	1,120,066,957	994,628,598
Borrowings		
Non-current portion	1,011,391,386	912,906,773
Current portion (senior loans only)	108,675,571	81,721,825
	1,120,066,957	994,628,598

During the variable rent period (Power By the Hour) interest only payments will be made for 2 years and will then transition back to revised fixed repayments. No breaches or defaults occurred in the current or prior period.

Loans with an outstanding balance of £874,201,678 (31 March 2022: £782,882,967) have fixed interest rates over the term of the loans. Of this total, loans with an outstanding balance of £341,618,156 (31 March 2022: £330,462,610), although having variable interest rate, also have associated interest rate derivative contracts issued by the lenders in effect fixing the loan interest over the terms of the loans. Loans with an outstanding amount of £245,865,279 (31 March 2022: £211,745,631) at year end are variable rate (LIBOR/its successor) with an interest rate cap and each senior loan has a balloon capital payment on maturity.

All loans are taken in USD. The Company uses a combination of fixed and variable debt loan instruments. Maturity dates are set at 12 years from delivery date or otherwise to match the corresponding lease end date. The weighted average rate for the Company's Senior Loan is 4.0% and 5.2% for the Company's Junior Loan (31 March 2022: 3.3% and 5.2%).

Transaction costs of arranging the loans have been deducted from the carrying amount of the loans and will be amortised using EIR over their respective lives.

16. SHARE CAPITAL

The Share Capital of the Company is represented by an unlimited number of redeemable ordinary shares of no par value.

Issued	30 Sep 2022 Number of Ordinary Shares	31 March 2022 Number of Ordinary Shares
Opening balance	347,313,483	434,141,757
Shares issued	–	–
Shares redeemed	–	(86,828,274)
Total number of shares as at period/year end	347,313,483	347,313,483

Issued	30 Sep 2022 Ordinary Share Capital GBP	31 March 2022 Ordinary Share Capital GBP
Ordinary Shares		
Opening balance	520,983,612	550,982,781
Shares issued	–	–
Shares redeemed	–	(29,999,169)
Total share capital	520,983,612	520,983,612

The' Company's total issued Share capital as at 30 September 2022 was 347,313,483 Shares (31 March 2022: 347,313,483 Shares), none of which were held in treasury.

Therefore the total number of voting rights in issue was 347,313,483.

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

On winding up of the Company, shareholders are entitled to the surplus assets attributable to the Share class remaining after payment of all the creditors of the Company.

17. FINANCIAL INSTRUMENTS

The Group's main financial instruments comprise:

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

(b) Debt secured on non-current assets.

(c) Interest rate swaps and interest rate caps.

(d) Short term investments.

(e) Accrued income.

(f) Trade receivables

(g) Payables

The Group's objective is to obtain income 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 2022 GBP	31 Mar 2022 GBP
Financial assets		
Cash and cash equivalents	145,874,229	101,644,952
Short term investments	8,822,337	20,770,215
Derivatives at fair value through profit and loss	58,142,123	23,249,102
Accrued income	39,861,896	21,111,849
Trade receivables*	21,352,294	16,133,558
	274,052,879	182,909,676

*This amount represents rent due but not yet received and net of the provision for impairment and is included within Receivables on the Statement of Financial Position.

	30 Sep 2022 GBP	31 Mar 2022 GBP
Financial liabilities		
Payables	207,308	143,708
Debt payable (excluding unamortised arrangement fees)	1,129,770,958	1,003,624,894
	1,129,978,266	1,003,768,602

17. FINANCIAL INSTRUMENTS (continued)

Fair value of financial instruments

The interest rate swaps and interest rate caps are considered to be level 2 in the Fair Value Hierarchy. The fair value of interest rate swaps is derived based on the valuation as provided by the respective bank with which the swap is held which are based on mark-to-market values. The following tables show the Company's financial assets and liabilities carried at fair value as at 30 September 2022 and 31 March 2022 based on the hierarchy set out in IFRS:

30 September 2022	Quoted Prices in active markets for identical assets (Level 1) 2022 GBP	Significant other observable inputs (Level 2) 2022 GBP	Significant unobservable inputs (Level 3) 2022 GBP	Total 2022 GBP
Assets				
Derivatives at fair value through profit and loss				
Interest rate swaps	–	35,304,643	–	35,304,643
Interest rate caps	–	22,837,480	–	22,837,480
	–	58,142,123	–	58,142,123
31 March 2022				
Assets				
Derivatives at fair value through profit and loss				
Interest rate swaps	–	12,394,141	–	12,394,141
Interest rate caps	–	10,854,961	–	10,854,961
	–	23,249,102	–	23,249,102

	30 Sep 2022	31 March 2022
Derivatives at fair value through profit and loss – USD Interest Rate Swaps	35,304,643	12,394,141
Notional amount (GBP)	341,798,884	326,945,241
Derivatives at fair value through profit and loss – USD Interest Rate Caps	22,837,480	10,854,961
Notional amount (GBP) – from 1 January 2023	252,708,874	242,208,200

The maturity dates of the interest rate swaps range from 13 April 2028 to 26 January 2036.

The effective date of the interest rate caps is 1 January 2023. The maturity dates range from 13 July 2029 to 22 September 2029.

The increase in the fair value of the Interest Rate Swaps and Interest Rate Caps for the year of £34,255,397 (31 March 2022: increase of £24,333,757) is reflected in Finance Income in note 11. The notional amount amortises in line with the underlying liability.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

These half yearly financial statements do not include all financial risk management information and disclosures required in the annual financial statements; as such they should be read in conjunction with the Group's annual financial statements as at 31 March 2022.

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 reviews and agrees policies for managing each of these risks and these are summed below:

(a) Capital management

The Group manages its capital to ensure its ability to continue as a going concern while maximising return to Shareholders through the optimisation of debt and equity balances.

The capital structure of the Group consists of debt, which includes borrowings disclosed in note 15 and equity attributable to equity holders, comprising issued capital, foreign currency translation reserve and retained deficit.

The Group's Board of Directors reviews the capital structure on a bi-annual basis. Equity includes all capital and reserves of the Company that are managed as capital.

(b) Foreign currency risk

The Group endeavoured to mitigate the risk of foreign currency movements by matching its USD rentals with USD debt to the extent necessary.

Rental income received in USD is used to pay loan interest and regular capital repayments of debt (but excluding any bullet or balloon repayment of principal), which are likewise denominated in US Dollars. USD lease rentals and loan repayments are furthermore fixed at the outset of the Company's life and are very similar in amount and timing save for the repayment of bullet and balloon repayments of principal due on the final maturity of a loan to be paid out of the proceeds of the sale, re-lease, refinancing or other disposition of the relevant aircraft.

The USD/GBP exchange rate was 1.1170 at 30 September 2022 (1.3138 at 31 March 2022) and the average USD/GBP exchange rate was 1.2161 at 30 September 2022 (1.366 at 31 March 2022). These significant changes in exchange rates have resulted in large movements in the reported amounts of USD denominated assets and liabilities of the Group which has selected GBP as its reporting currency. As noted above, many underlying assets and liabilities are denominated in the same currency, so the net impact is naturally mitigated, although gross carrying amounts have increased. However, there is some residual impact on the reported net asset value of the Group arising from translation of the results and financial position of the subsidiaries. This residual impact is reflected in the Statement of Comprehensive Income on page 16 as "Translation adjustment on foreign operations". As a result of the significant strengthening of USD against GBP a significant gain has been recorded in this period, but this will of course change as exchange rates change in the future. For example, if the USD were to weaken against GBP by 10% the Translation adjustment on foreign operations would reduce by approximately £28.02 million.

On the eventual sale of the Assets, the Group may be subject to foreign currency risk if the sale was made in a currency other than British Pound. Transactions in similar assets are typically priced in USD.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(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.

The credit risk on cash transactions is 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 2022 GBP	31 Mar 2022 GBP
Cash and cash equivalents	145,874,229	101,644,952
Short term investments	8,822,337	20,770,215
Derivatives at fair value through profit and loss	58,142,123	23,249,102
Accrued income	39,861,896	21,111,849
Trade receivables*	21,352,294	16,133,559
	274,052,879	182,909,677

*This amount represents rent due but not yet received and net of the provision for impairment and is included within Receivables on the Statement of Financial Position.

Surplus cash in the Group is held with Barclays, HSBC, Lloyds, RBSI and Bank of Ireland, which have credit ratings given by Moody's of A-1, P-1, P-1, P-1 and P-1 (31 March 2022: A-1, P-1, P-1, P-1 and P-1) respectively. Surplus cash in the Subsidiaries is held in accounts with RBSI and Westpac, which have credit ratings given by Moody's of P-1 and P-1 (31 March 2022: P-1 and P-1) respectively.

Short term investments relate to deposits held with Canadian Imperial Bank of Commerce, Commonwealth Bank of Australia and Bank of Montreal which all have the same credit rating given by Moody's of P-1(31 March 2022: P-1).

The Derivative assets are at fair value and are held with the same security and trustee agent as the related borrowings. The security and trustee agent for the above derivates are Natixis and the credit rating given by Moody's is P-1 (31 March 2022: P-1).

The Group has considered the effects of the expected credit loss on cash and short term investments and is satisfied that no expected credit loss is required as it is not considered material.

The credit quality and risk of lease transactions with counterparty airlines is evaluated upon conception of the transaction. In addition, ongoing updates as to the operational and financial stability of the airlines are provided by the Company's Asset Manager in its quarterly reports to the Company.

The COVID-19 pandemic has resulted in widespread restrictions on the ability of people to travel and so has had a material negative effect on the airline sector, and by extension the aircraft leasing sector. The Group has received the lease payments due from Emirates Airlines, the Groups principal lessee, in full and on time. Power by the hour lease receipts from Thai Airlines have also been steadily increasing since they first became due in February 2021 and have been received on time.

At the inception of each lease, the Company selected a lessee with a strong Statement of Financial Position and financial outlook. The financial strength of Emirates and Thai Airways is regularly reviewed by the Directors and the Asset Manager, particularly once financial results have been published. Additionally, the Asset Manager monitors any news related to the lessees that would impact operations and financial position.

In the case of materialisation of the risk related to the lessee counterparty creditworthiness, the fixed rents receivable under the leases may not be sufficient to meet the loan interest and regular capital repayments of debt scheduled during the life of each loan and may not provide surplus income to pay for the Group's expenses.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit Risk (continued)

For the entities that have leases with Thai Airways, the Company has entered into amended lease agreements. PBH rent will be paid up until 31 December 2022 after which a fixed amount per aircraft is payable up until the original expiry date of the lease agreements. The lease agreements were also extended by 72 months. During the extended lease term an amount to be agreed in writing between the Lessee and the Lessor, will be paid. The Company has arranged with the lenders a solution that will facilitate servicing of the loan in line with the rent received under the lease amendment documentation. The solution should allow for the Company to address its expenses and its loan obligations with the income generated.

The Group's most significant counterparties are Emirates and Thai Airways as lessees and providers of income. Neither of the Group's lessees currently have a credit rating.

Refer to note 2 (c) Going Concern for further details on the current status of the Group's lessees.

The Group has chosen to apply the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. As at 30 September 2022 the expected lifetime losses on the rent receivables has been reassessed by the Group. Apart from the receivables from Thai Airways, the remaining trade receivables and receivables at amortised cost at period end **are** considered receivable, with any identified impairment losses on such assets not considered significant. The credit risk for Emirates has been assessed as low and no impairment has been identified.

The Group has considered the effects of the expected credit loss on cash and is satisfied that no expected credit loss is required as it is not considered material.

(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 such as capital repayments of senior debt, as well as junior debt at the end of the lease. The Group's main financial commitments are its ongoing operating expenses and repayments on loans.

Ultimate responsibility for liquidity risk management rests with the Board of Directors.

Consideration will be given to any future use of accumulated rental income, if the Board considers that the Company or any subsidiary will not be able to repay any balloon or bullet repayments of debt falling due through the sale, refinancing or other disposition of an Asset.

(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 variation in deposit interest earned on bank deposits held by the Group or on debt repayments.

The loans with an outstanding balance of £245,865,279 (31 March 2022: £211,745,631) as at period end entered into are variable rate, with an interest rate cap, although the related rentals are also floating.

With the exception of the above-mentioned loans, the Group mitigates interest rate risk by fixing the interest rate on the bank loans (as well as in respect of loans with an outstanding balance of £341,618,156 (31 March 2022: £330,462,610) as at period end, which have an associated interest rate swap to fix the loan interest).

If a reasonable possible change in interest rates had been 100 basis points higher/lower throughout the period and all other variables were 'held constant, the Group's net assets attributable to shareholders as at 30 September 2022 would have been £1,405,970 (31 March 2022: £1,284,640) greater/lower due to an increase/decrease in the amount of interest receivable/payable on the bank balances, short term investments and borrowings.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Interest Rate Risk (continued)

Interest rate benchmark reform

A fundamental reform of the major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposure to IBORs on its financial instruments that either have been or will be reformed as part of these market-wide initiatives. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR.

The Group's remaining IBOR exposures at the reporting date are corporate debt securities indexed to US dollar LIBOR. The alternative reference rate for US dollar LIBOR is the Secured Overnight Financing Rate (SOFR). In March 2021, the Financial Conduct Authority announced that the US dollar setting (except for one-week and two-month US dollar settings) will either cease to be provided or no longer be representative after 30 June 2023. The Group is in the process of implementing appropriate fallback clauses for all US dollar LIBOR- indexed exposures before 30th June 2023. These clauses automatically switch the instrument from USD LIBOR to SOFR when US dollar LIBOR either ceases to be provided or is no longer representative.

There has been no significant change in the balance of unreformed contracts, which include those with fallback clause that deals with the cessation of the existing IBOR since the previous annual reporting date.

19. ULTIMATE CONTROLLING PARTY

In the opinion of the Directors, the Company has no ultimate controlling party as the Company does not have any shareholder that holds greater than 10% of the issued share capital of the Company.

20. CASH AND CASH EQUIVALENTS

	30 Sep 2022 GBP	31 March 2022 GBP
Bank balances	73,321,177	43,289,439
Notice accounts	72,553,052	58,355,513
	145,874,229	101,644,952

The notice accounts are secured cash deposits in respect of the maintenance provisions.

21. MAINTENANCE PROVISIONS

	30 Sep 2022 GBP	31 March 2022 GBP
Balance at 1 April	58,355,513	54,934,474
Billings	3,675,945	719,471
Translation adjustment on foreign operations	10,521,594	2,701,568
Balance at period end	72,553,052	58,355,513

The maintenance provision liabilities are held in relation to funds received as at the period end for the timely and faithful performance of the lessees' obligations under the lease agreements for the four A350-900 aircraft. Amounts accumulated in the maintenance provisions will be repaid only as re-imbursements for actual maintenance expenses incurred by the lessee.

21. MAINTENANCE PROVISIONS (continued)

The table below details the expected utilisation of maintenance reserves.

	1-3 Months GBP	3-12 Months GBP	1-2 Years GBP	2-5 Years GBP	Over 5 Years GBP	Total GBP
30 Sep 2022	129,668	34,450	–	59,187,592	13,201,342	72,553,052
31 March 2022	–	139,534	36,582,188	10,409,891	11,223,900	58,355,513

In September 2022 the assumption on the mean time between removals (MTBR) has been updated versus March 2022 in order to remain in line with the new OEM & Industry suggestions. As the new Roll-Royce Trent XWB engine program matures, more data become available and the mean time between removals (MTBR) are updated by the engine OEM which is standard practice with a new engine type. The extension of the assumed engine time on wing subsequently shifted the assumed timing of the PRSV Events on all engines from a 1-2 Year to 2-5 Year time frame.

22. ACCRUED AND DEFERRED INCOME

The accrued and deferred 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. The Directors considered the recoverability, including the accrued income relating to the aircraft leased to Thai airways, and concluded that these are expected to be recovered in full and concluded no impairment is required. The accrued and deferred income consists of the following:

	30 Sep 2022 GBP	31 March 2022 GBP
Accrued income	39,861,896	21,111,849
Deferred income	(27,669,188)	(25,963,738)

The significant increase in deferred income from the year ended 31 March 2022 is principally due to rental income recognised in advance of the contractual fixed rental payments on the Thai leases during the variable lease period. Rental income on leases is recognised on a straight-line basis over the term of the relevant lease. PBH rent during the variable lease period is recognised and disclosed separately as contingent rent (see note 4). The accrued income balance therefore increases significantly during the variable lease period as income is recognised but not yet received as cash. This balance will decline over the remaining life of the Thai leases.

23. RELATED PARTY TRANSACTIONS AND SIGNIFICANT CONTRACTS

Significant contracts

Amedeo Limited ("Amedeo") is the Group's Asset Manager.

During the period, the Group incurred £1,554,533 (30 September 2021: £1,387,356) of fees with Amedeo, of which £ Nil (31 March 2022: £Nil) was outstanding to this related party at 30 September 2022. This fee is included under "Asset management fee" in note 5.

Following the disposal of the "IPO Assets" (being collectively the first four assets purchased), the Company shall pay to Amedeo disposition fees calculated as detailed in the prospectus, which can be found on the Group's website. Fees range from 1.75% to 3% of the sale value. The fee for the remaining eight aircraft is 3%.

Amedeo Services (UK) Limited ("Amedeo Services") is the Group's Liaison and Administration Oversight Agent (the agent is appointed to assist with the purchase of the aircraft, the arrangement of suitable equity and debt finance and the negotiation and documentation of the lease and financing contracts).

During the period, the Group incurred £5,926 (30 September 2021: £5,782) of fees with Amedeo Services. As at 30 September 2022 £Nil (31 March 2022: £Nil) was outstanding. This fee is included under "Asset management fee" in note 5.

23. RELATED PARTY TRANSACTIONS AND SIGNIFICANT CONTRACTS (continued)

Related parties

The Board is considered to be key management. Refer to the Board of Directors on page 11. Refer to Note 6 where Directors' remuneration has been disclosed.

24. SEGMENT INFORMATION

The Directors are of the opinion that the Group is engaged in a single segment of business, being acquiring, leasing and selling aircraft. The following geographical analysis of the Group is based on the location of the lessee, and is given for information only.

Geographical analysis

30 Sep 2022	Middle East GBP	Asia Pacific GBP	Total GBP
Rental income	80,070,335	25,729,267	105,799,602
Net book value – aircraft	955,699,113	397,821,367	1,353,520,480

30 Sep 2021	Middle East GBP	Asia Pacific GBP	Total GBP
Rental income	72,225,246	23,208,716	95,433,962
Net book value – aircraft at 31 March 2022	864,980,722	344,729,029	1,209,709,751

Revenue from the Group's country of domicile, Guernsey, was £Nil (2021: £Nil).

25. SUBSEQUENT EVENTS

On 6 October 2022 the board announced an interim dividend of 1.5 pence per ordinary share. The dividend was paid on or around 31 October 2022 to shareholders on the register as at the close of business on 14 October 2022.

There are no other material events since the period end and up to the date of approval of the condensed consolidated financial statements.

Corporate Information

The Company is a Guernsey company incorporated on 16 January 2015. The Company operates under the Law and the DGTRs of the UK's FCA.

All of the Company's Shares have since 13 May 2015 been admitted to trading on the SFS.

The initial and six subsequent share raisings resulted in the issue and admission to trading on the SFS of 642,250,000 Shares issued at an average offer price of 102 pence. On 28 September 2020 the Company compulsorily redeemed 214,083,243 Shares on a one for three shares held basis as at 25 September 2020 paying a redemption price of 46 pence per Share redeemed. On 23 February 2021 the Company issued an additional 5,975,000 ordinary shares. A further compulsory redemption of 86,828,274 shares occurred on 8 December 2021 on a one for five shares held basis as at 7 December 2021 for a redemption price of 34.55 pence per share redeemed.

As at 9 December 2022, the last practicable date prior to the publication of this report, the Company's total issued share capital was 347,313,483 Shares trading at 37.00 pence per Share giving the Company a market capitalisation of £128.50 million.

Investment Objective and Policy

Since launch the Company's investment objective has been 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 sought to use the net proceeds of placings and/or other equity capital raisings, together with debt facilities, to acquire aircraft which it leased to one of three major airlines. In February 2020 all aircraft leased to Etihad Airways were disposed of and now the remaining aircraft are leased either to Emirates or Thai Airways.

Given the COVID-19 crisis and the devastating effect it has had upon the long-haul air travel industry, plus the fact that one of the Group's lessees, Thai Airways, is now under a rehabilitation plan, the Board considers it unlikely that in the near term there will be any further expansion of the Company.

Investment Portfolio

As at the financial reporting date of 30 September 2022 the Company had twelve wholly-owned aircraft owning subsidiaries and two Irish leasing subsidiaries, see note 1 for further details.

Distribution Policy

The Company aims to provide shareholders with a total return comprising income from distributions through the period of the Group's ownership of the Assets and a capital distribution upon the sale, or other disposition of the Assets.

Up until December 2019 the Group regularly received income in the form of lease payments and income distributions were made to shareholders quarterly in accordance with the Company's then target of a distribution to shareholders of 2.0625 pence per Share per quarter.

However, on 6 April 2020, as a result of the impact of COVID-19 on the airline industry, the Company announced that the Board had resolved to temporarily suspend the payment of any kind of distribution to shareholders, as the Board's priority lay in preserving the long-term financial stability of the Company for the benefit of its shareholders and creditors. The Board considered that maintaining the Company's liquidity was vital and was prudent in doing so. Whilst two dividends were declared and paid in October 2020 and January 2021, the Board took the decision to suspend quarterly dividends until the rehabilitation of Thai Airways and the agreement with the Company's lenders were complete.

On 1 December 2021 the Board announced its decision that the Company would recommence the payment of quarterly dividends in January 2022. On 4 January 2022 the Board announced a target distribution of 1.25 pence per quarter (5 pence per annum). On 6 October 2022 the Board announced a target of 1.5 pence per share per quarter (6.0 pence per annum). Details of dividends declared by the Board during the period under review are set out on page 28.

Corporate Information (continued)

Return of Capital

Following the sale of an Asset the Board may, as it deems appropriate at its absolute discretion, either return to shareholders all or part of the net capital proceeds of such sale (subject to satisfaction of the Statutory Solvency Test) or re-invest the proceeds in accordance with the Company's investment policy, subject to shareholder approval.

Following the sale in February 2020 of the two aircraft leased to Etihad Airways, on 23 September 2020 the Company announced the return to shareholders of £98.5 million of the resultant proceeds by means of a compulsory redemption of one share for every three shares held as at 25 September 2020 for a payment of 46 pence per each share redeemed. Accordingly, 214,083,243 Shares were redeemed and cancelled.

A further £30m was returned to shareholders by a compulsory redemption of 86,828,274 shares on 8 December 2021 on a one for five shares held basis as at 7 December 2021 for a redemption price of 34.55 pence per share redeemed.

The Asset Manager regularly monitors the market valuations of the Assets and, subject to any lease obligations, will consider the most appropriate time for the sale of any one or more of the Assets. The Board will consider any recommendation from the Asset Manager as to the sale of any Asset and proceed as the Board considers appropriate.

Liquidation Resolution

Although the Company does not have a fixed life, the Articles require that the Board convenes a Liquidation Proposal Meeting in 2029 or such other date as shareholders may approve by ordinary resolution.

Key Advisers and Contact Information

Directors
Robin Hallam (Chairman)
David Gelber (Senior Independent Director)
Laurence Barron
Steve Le Page (Audit Committee Chair)
Mary Gavigan

Contact details
Robin.Hallam@aa4plus.com
David.Gelber@aa4plus.com
Laurence.Barron@aa4plus.com
Steve.LePage@aa4plus.com
Mary.Gavigan@aa4plus.com

Registered Office of the Company
Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT
Telephone: +44 (0)1481 702400

Asset Manager
Amedeo Limited
The Oval
Shelbourne Road
Ballsbridge
Dublin 4
Ireland

Liaison and Administration Oversight Agent
Amedeo Services (UK) Limited
29-30 Cornhill
London
England EC3V 3NF

Administrator and Secretary
JTC Fund Solutions (Guernsey) Limited
Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT
Telephone: +44 (0)1481 702400

Corporate Broker
Liberum Capital Limited
Ropemaker Place
25 Ropemaker Street
London, EC2Y 9LY
Telephone: +44 (0)20 3100 2000

Registrar, Paying Agent and Transfer Agent
Link Market Services (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue
St Sampson
Guernsey GY2 4LH
Tel: +44 (0)371 664 0300

UK Transfer Agent
Link Market Services Limited
Link Group
10 Floor
Central Square
29 Wellington Street
Leeds, LS1 4DL

Auditor
KPMG
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

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

Key Advisers and Contact Information (continued)

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

Solicitors to the Company (as to asset acquisition, financing and leasing documentation)
Clifford Chance LLP
10 Upper Bank Street
London
England
E14 5JJ

Norton Rose Fulbright LLP
3 More London Riverside
London
England
SE1 2AQ

Glossary

DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provide a list of the defined terms used in this report.

Administrator	JTC Fund Solutions (Guernsey) Limited
Articles	The Company's articles of incorporation
Asset Manager	Amedeo Limited
Asset(s)	Aircraft owned by the Group
Board	Board of directors of the Company
Company	Amedeo Air Four Plus Limited
DGTRs	The FCA's Disclosure Guidance and Transparency Rules
ESG	Environmental, social and governance
Etihad	Etihad Airways PJSC
FCA	Financial Conduct Authority
Group	The Company and its wholly owned subsidiaries
IAS	International Accounting Standard
IATA	International Air Transport Association
IFRS	International Financial Reporting Standards
Law	The Companies (Guernsey) Law, 2008, as amended
Registrar	Link Market Services (Guernsey) Limited
RPKs	Revenue passenger kilometres
SFS	Specialist Fund Segment of the London Stock Exchange's Main Market
Shares	Redeemable ordinary shares
Thai Airways	Thai Airways International Public Company Limited