AA4P QUARTERLY REPORT

Amedeo Air Four Plus Limited
LSE: AA4

Report to Shareholders for the quarter ending 30 June 2019

THE COMPANY

Amedeo Air Four Plus Limited ("the Company"), a Guernsey domiciled company, commenced business in May 2015 and has its shares listed on the Specialist Fund Segment of the London Stock Exchange's Main Market. Initially 202 million Ordinary Shares were issued at a price of 100p per share and subsequently the Company has concluded additional placings of shares at issue prices of 100p, 101p, 102p and 104p resulting in a total of 642,250,000 shares in issue as at 28 June 2019 (the "equity").

With the share price on 28 June 2019 closing at 92.5p the market capitalisation then of the Company was GBP 594,081,250.

COMPANY INVESTMENT STRATEGY

The Company's investment objective is to obtain income and capital returns for its Shareholders by acquiring, leasing and selling aircraft. The Company seeks to use the net proceeds of placings and/or other equity capital raisings, together with debt facilities (or instruments), to acquire aircraft which will be leased to one or more major airlines (each aircraft an "Asset"). The Company aims to provide Shareholders with an attractive total return comprising income from distributions through the period of the Company's ownership of the Assets and capital upon the sale, or other disposition of the Assets.

The Company's Articles provide that the Company may only acquire further aircraft with the approval of Shareholders by ordinary resolution in relation to each proposed acquisition. Where such approval for a new acquisition is obtained, it is the current intention of the Directors to offer Shareholders the opportunity to participate in any equity financing on a broadly pre-emptive basis, although other approaches to financing may also be considered and pursued if the Directors consider it appropriate to do so to diversify the funding sources of the Company.

The Board's intention is that, subject to finding suitable deals and obtaining subsequent Shareholder approval, the Company be grown into a larger vehicle owning a range of aircraft leased to more major airlines. The aim of such a strategy is to diversify the risk profile of the Company's portfolio of Assets and lease credits whilst maintaining its target investor returns of a quarterly dividend of 2.0625p per share and a double-digit total return.

The Asset Manager has not come across any suitable transactions to present to the Board in Q2 2019 that would not be dilutive to the Company's return profile and revenue currency balance in favour of GBP. The Asset Manager, in conjunction with Nimrod Capital LLP, the Company's Corporate & Shareholder Advisor, will be discussing with the Board the scope for potential opportunities throughout 2019.

CURRENT INVESTMENTS

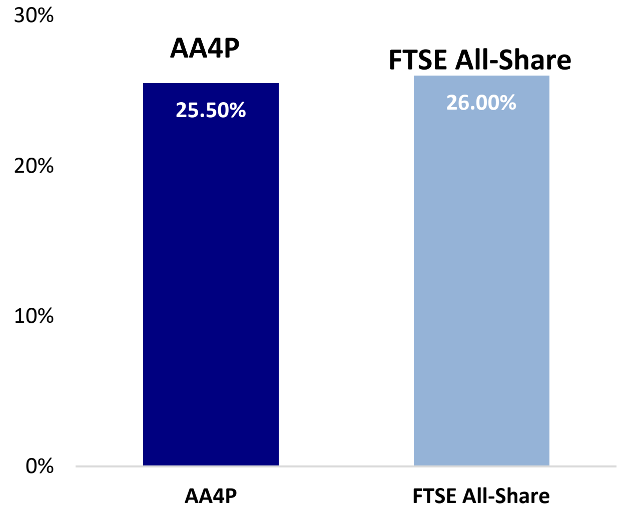
Since launch in May 2015, the Company has acquired eight Airbus A380, two Boeing 777-300ER and four Airbus A350-900 aircraft. Eight of these aircraft are leased to Emirates, two aircraft are leased to Etihad and four aircraft are leased to Thai Airways.

All aircraft are leased for a period of 12 years from each respective delivery date. To complete the purchase of these aircraft, subsidiaries of the Company entered into debt financing arrangements which, together with equity proceeds, were used to finance the acquisition of the fourteen aircraft.

OVERVIEW (28 June 2019)

Listing	LSE	Dividend Payment Dates	April, July, October, January
Ticker	AA4	Launch Date / Price	13 May 2015 / 100p
Initial Share Price	100p	Incorporation	Guernsey
Share Price	92.5p (Closing)	Asset Manager	Amedeo Limited
Current Targeted Distribution	8.25 pence per share p.a.	Corp & Shareholder Advisor	Nimrod Capital LLP
Market Capitalisation	GBP 594,081,250	Administrator	JTC Fund Solutions (Guernsey) Limited
Initial Debt	USD 2,440,757,240	Auditor	KPMG
Outstanding Debt Balance	USD 2,028,374,223	SEDOL, ISIN	BWC53H4, GG00BWC53H48
Current Dividend Yield (based on the Current Share Price)	8.92%	Year End	31-Mar
Currency	GBP	Stocks & Shares ISA	Eligible
		Website	www.aa4plus.com

AA4P TOTAL RETURNS SINCE IPO VS. FTSE ALL-SHARE INDEX



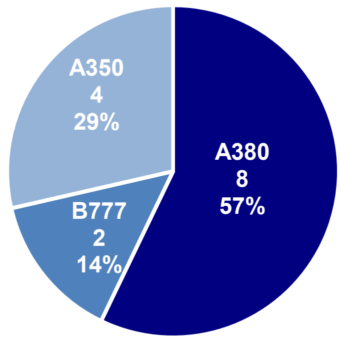
*The FTSE All-Share Index is not intended to be used as the benchmark for the Company. It is shown for illustrative purposes to indicate the performance of the Company for an equity investor whose portfolio may be benchmarked against the FTSE All-Share Index. FTSE All-Share returns account for all dividends to date being reinvested.

Past performance cannot be relied on as a guide to future performance. The value of an investment may go down as well as up and some or all of the total amount invested may be lost.

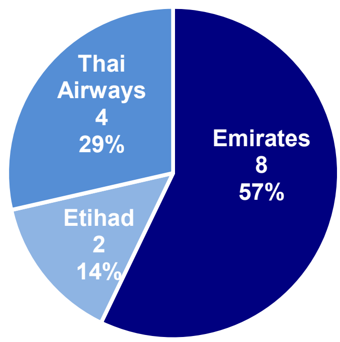
Returns calculated as of 28-Jun-2019.

AA4P PORTFOLIO BREAKDOWN

By Aircraft Type



By Operator



AMEDEO'S ASSET INSPECTION REPORT TO AA4P

The utilisation figures below represent the totals for each aircraft from first flight to 31-May-2019

Lessee	Model	MSN	REG	Delivery Date	Lease Expiry Date	Flight Hours	Flight Cycles
Emirates	A380-861	157	A6-EEY	04/09/2014	04/09/2026	19983	3180
	A380-861	164	A6-EOB	03/11/2014	03/11/2026	19839	3190
	A380-861	187	A6-EOM	03/08/2015	03/08/2027	19939	1844
	A380-861	201	A6-EOQ	27/11/2015	27/11/2027	14496	2303
	A380-861	206	A6-EOV	19/02/2016	19/02/2028	14310	2255
	A380-861	208	A6-EOX	13/04/2016	13/04/2028	13106	2066
	777-300ER	42334	A6-EPO	28/07/2016	28/07/2028	12094	3031
	777-300ER	42336	A6-EPQ	19/08/2016	19/08/2028	12826	2897
Etihad	A380-861	233	A6-API	24/03/2017	24/03/2029	11676	1254
	A380-861	237	A6-APJ	24/05/2017	24/05/2029	10813	1119
Thai	A350-900	123	HS-THF	13/07/2017	13/07/2029	8825	1485
	A350-900	130	HS-THG	31/08/2017	31/08/2029	8572	1368
	A350-900	142	HS-THH	22/09/2017	22/09/2029	8279	1335
	A350-900	177	HS-THJ	26/01/2018	26/01/2030	6643	1097

Recent Technical Activity:

- The annual inspections of MSN 164, 206, 208, 233, 42334 and 42336 are scheduled between 23rd June and 3rd of July 2019.
- Emirates A380 fleet operated normally, MSN208 1C Check was performed in March 2019, MSN164 1A Check, and MSN 208 8A Check were performed in April 2019.
- No technical events reported for Emirates 777-300ER.
- No technical events reported for Etihad A380.
- Overall, Emirates was affected by engineering work on the runways in Dubai, resulting in runway closures between April and May 2019, which forced the airline to ground 48 aircraft due to a lack of available slots.
- Thai A350 fleet operated normally except for MSN 123 which suffered an AOG and several groundings in April 2019 (total 12 days) due to engine Thrust Reverser and Spoiler problems.

Appraisal Value Updates

In aggregate across the AA4P portfolio, appraised future residual values decreased to $1,554.0 million, a decrease of approximately 0.8% relative to 2018.

The residual value of the A380 fleet increased by approximately 0.8% in aggregate. This figure underscores Amedeo's belief that the Airbus termination announcement, despite the negative press, will have positive implications for the future values of the installed A380 fleet, particularly those aircraft operated by Emirates. It is estimated that the long-term core Emirates A380 fleet will comprise in excess of 100 A380 units, which Amedeo expects will continue to be operated by Emirates for the entirety of their useful economic lives. The A380 is to remain an essential aircraft type for Emirates, with higher financial profitability deriving from the longer-term use of its A380 fleet.

It has been reported that British Airways may take six used A380s, according to Willie Walsh, CEO of parent IAG (U.K.). We suspect these to be ex-Lufthansa A380s, which like BA's, and some of Emirates', are powered by Rolls Royce Trent 900 engines. This would be a positive A380 development.

777-300ER residual values were not as resilient, declining approximately 7.8% in aggregate, though these aircraft comprise a much smaller portion of the Company's fleet. Amedeo believes that the dwindling order backlog and recent Boeing production rate cuts are responsible, in part, for the residual value decrease. Further, the deliveries of A350-1000s have begun to encroach on the 777-300ER's value proposition, to say nothing of the approaching entry into service of the 777X. However, the 777-300ER fleet has a vast and well-distributed operator and customer base of 42 operators. Amedeo believes that the 777-300ER's GE90 single-source powerplant and large belly cargo capacity will aid the re-marketability of the aircraft and support the long-term economic value of the asset type. Further, the development of a secondary market augurs well for residual value retention.

The appraised values of the Company's A350 fleet depreciated in accordance with expected trends, decreasing 2.1% in aggregate. The A350 has a wider fuselage and larger capacity than the 787, which provides a better opportunity for premium and economy cabins. Amedeo believes the A350 is an ideal replacement for A340-300s and 777-200ERs as they reach over 20 years of age. The timing of launch of the A350s also means the asset has a head start compared to the 777X. Amedeo believes these factors, as well as a significant undelivered orderbook, will support robust residual value retention in this asset type as well.

Consistent with any new production aircraft, appraisers produce speculative values in the absence of secondary market trading data and such values can vary between appraisers. The policy of the Company is to take appraisals from three independent firms and use the average of the three, thereby smoothing volatility. As pertains to the A380 specifically, the spread between the appraisers has widened following the closure of the program by Airbus, but is expected to narrow going forward as more data points become available.

The 737 MAX

The 737 MAX re-certification debacle continues for Boeing after two tragic crashes and discovery of a flawed certification process and design flaws. We do not see re-entry into service before the start of 2020. As AA4P does not have any narrow body aircraft the story is relevant for the larger new B777-9X, a replacement for the B777-300ER. While Boeing maintains the timing for the B777-9X certification is unaffected by the B737 MAX issues, it is hard to imagine that the FAA will not go back to basics in re-examining "light" certification of previously certified type aircraft and a delay to the new B777-9X, set for about June 2020, is likely. If this delay materialises, it will help stabilise other widebody aircraft residuals and the appraisal community should be more confident in regard to the B777-300ER.

IMPLIED FUTURE TOTAL RETURN

Aggregated aircraft portfolio appraised residual value at lease expiry USD 1,554.0 million.

	Income	Return of Capital	Total Return
	Targeted Distributions (p)	Latest Appraisal (p)	Latest Appraisal (p)
Future Return	75.7	154.2	229.9

The Total Return of a share is for illustrative purposes only and calculated using the following assumptions:
Latest appraisal values at each lease expiry for the portfolio being the average of three appraisers are as of 31-Mar-2019 and quoted in US Dollars. This residual value at lease expiry takes inflation into account and is the most reliable estimate available in the Company's Asset Manager's opinion. Due to accounting standards, the values used in the Company's financial reports differ from this disclosure as they exclude the effects of inflation and are converted to Sterling at the prevailing exchange rate on the reporting date (31-Mar-2019).
The lease expirations for all current aircraft in the portfolio are spread out between September 2026 and January 2030, so are not coterminous and as such their aggregated appraised residual value is assumed to be realised in stages.
Targeted Distributions illustrates the future income distributions including all dividends payable from June 2019, inclusive.
Upon lease expiry and sale of each aircraft sale proceeds are returned to Shareholders reducing the number of outstanding shares on a pro-rata basis on which distribution are paid.
The implied Total Return is not a forecast and assumes the Company has not incurred any unexpected costs. The implied Total Return includes all currently known annual costs of the Company, including disposition fees. The Total Return is prepared on the assumption that each aircraft is sold at its Latest Appraisal value at the end of the lease term, all extant debts are paid off and proceeds immediately returned to Shareholders as a Return of Capital.
The implied Total Return assumes that no further aircraft will be acquired, but there may well be further acquisitions of aircraft (any such being subject to prior Shareholder approval).
The implied Total Return assumes that each lessee will honour its contractual obligations during each lease term and income distributions include all future targeted dividends.
There is no guarantee that the assets will be sold at Latest Appraisal values or that such implied Total Returns will be generated.
Assumes GBP/USD FX rate and applicable US 3-month LIBOR rate remains constant for the remaining life of the respective leases, at GBP/USD FX Rate: 1.2696 (as at 28-Jun-2019) and 3M USD LIBOR Rate: 2.31988% (as at 28-Jun-2019) as sourced from Bloomberg.

IATA ECONOMIC ANALYSIS

Growth in industry-wide Revenue Passenger Kilometres (RPKs) has remained positive during 2019 thus far, rising by 4.6% on a year-to-date basis through the end of April. This increase represents a slower growth pace relative to a long-run average pace of approximately 5%. Growth in March and April was slower than the first two months of the year, potentially indicating a trend towards slowing growth.

Available Seat Kilometres (ASKs) grew by 4.8% on a year-to-date basis through April, largely in line with RPK growth pace. Load factors hit a record high for the month of April at 82.8% and stand at 81.2% over the first four months of 2019. European load factors lead the world at 82.7% year-to-date through April, with the Middle East region lagging behind at 75.4%.

European airlines continue to be the fastest growing in International passenger demand relative to their peers in other regions – year-to-date growth hit 7.0% through April. However, European RPKs indicated a slowing growth trend as RPKs have only risen by 1% in seasonally adjusted terms since November. Latin American airlines have experienced 5.0% RPK grown on a year-to-date basis, followed by North American and Asia Pacific airlines which achieved 4.6% and 4.1% RPK growth, respectively. RPK growth in the Asia Pacific region remains below the long-term trend, which many attribute to U.S. – China trade tensions. RPK growth in the Middle East was stronger in April than in March but a downward trend in seasonally adjusted RPKs that began in mid-2018 appears to be continuing.

With regard to industry-wide profitability, IATA expects the airline industry will generate $28 billion in profits during 2019, down from $30 billion in 2018. IATA anticipates that increasing fuel costs, due in part to increased crack spreads caused by the IMO 2020 regulation affecting maritime shipping, will weigh on profitability. Return on Invested Capital in the airline industry is expected to land at 7.4%, marginally exceeding the cost of capital benchmark of 7.3%.

EMIRATES GROUP

Emirates fleet consisted of 270 aircraft as of June 2019, including 110 A380s. In February, Airbus and Emirates reached an agreement on its A380 contract, bringing its total A380 orderbook to 123. 13 more A380s remain undelivered from Airbus, as well as 40 A330-900s and 30 A350-900s, that will deliver between 2021 and 2024. Emirates also has an orderbook of 6 777-300ER aircraft yet to be delivered, as well as its order for 150 777X aircraft.

Emirates financial year 2018/19 produced the 31st consecutive year of profit. The airline posted a net result of AED 871 million (USD 237 million), down by 69% y-o-y. This drop came despite the increase of 6% in total revenue to AED 97.9 billion (USD 26.7 billion) and was mainly due to higher fuel prices, unfavourable foreign exchange movements and increasing competition in its major markets.

During the financial year, total operating costs increased by 8% y-o-y. Fuel was the largest of the airline's expenses (32% of the total). The average price of jet fuel increased 22% plus a 3% higher uplift in line with capacity increases, which meant a fuel bill increase of 25% y-o-y. Additionally, the relative strengthening of the US dollar against currencies in many of the airline's key markets had an AED 572 million (USD 156 million) negative impact compared to the positive currency impact of AED 661 million (USD 180 million) the year before.

The airline's overall passenger number during the year remained flat carrying 58.6 million passengers, with a share of 41% flying on an A380. Passenger traffic, measured in RPKs, increased by 2.7%, while capacity, measured in ASKs, grew by 3.6%. Passenger load factor was 76.8% compared to last year's 77.5%.

Emirates launched three new passenger destinations during the year: London Stansted, Santiago (Chile) and Edinburgh, and also reinstated services to Sabiha Gokcen (Turkey). Furthermore, it added flight capacity to 14 existing destinations and upgraded capacity to six cities by offering a higher frequency with more onward connections.

Due to the closure of Dubai International's southern runway for refurbishment work between 16 April and 30 May 2019, Emirates has temporarily grounded 48 aircraft and cut its flight schedule by 25%. Some services have been cancelled, others re-timed or operated with different aircraft to reduce the impact on customers. However, a negative impact on the current year's financial results is expected. Emirates also intends to make other changes to its network later in the year, including deploying the Airbus A380 on services to Boston and Glasgow in the summer.

Emirates entered into a memorandum of understanding with China Southern Airlines to begin codesharing on 18 routes in China, the Middle East and Africa. Emirates has also continued to develop its partnership with flydubai, optimising flight schedules and offering new city-pair connections through Dubai. The codeshare and network optimisation scheme is set to cover 240 destinations by 2022, of which 67 were already available as of 31 March. The two airlines have also combined their loyalty programmes under Emirates Skywards.

ETIHAD AIRWAYS

As of June 2019, Etihad had a majority widebody fleet of 109 aircraft in service. The airline has a remaining orderbook of 40 787s and 25 777X aircraft with Boeing. From Airbus, Etihad will take delivery of 19 A350-1000 aircraft and 26 A321neos.

On May 5th, Etihad announced increased frequencies to London during the summer season, peaking at 5 daily flights between June 23rd and September 28th. Three of these flights are served by A380s.

On May 31st, Etihad took delivery of its first A350-1000 from Airbus. As previously mentioned, 19 incremental A350-1000s remain scheduled for delivery to the airline.

THAI AIRWAYS INTERNATIONAL

Thai Airways International's fleet comprised 103 in-service aircraft during Q1 2019. The airline currently has no firm orderbook with either Boeing or Airbus but a 2019 – 2026 fleet acquisition plan calling for 38 aircraft has been approved by the airline's Board of Directors and is awaiting Cabinet approval. Of the 38 aircraft, 31 would be for replacement of the existing fleet, with an incremental 7 growth aircraft.

The group reported Q1 2019 headline profit of Bt456 million, as compared to Bt2.737 billion in Q1 2018, a 83.6% decrease. Revenues decreased 6.9% year-over-year, falling to Bt49.8 million from Bt53.5 million in Q1 2018. The decrease in revenue was driven primarily by a 3.2% decline in RPKs and a 4.3% decrease in average passenger yield. However, despite a decrease in load factor from 80.6% to 80.3%, the airline actually carried slightly more passengers during Q1 2019 than it did during Q1 2018 – 6.29 million as compared to 6.25 million.

Total expenses increased by 2.0% to Bt50.6 million, driven largely by non-fuel expenses. Fuel expenses increased only 0.1% year-over-year, or approximately Bt11 million. Non-fuel operating expenses increased by 3.1%, while net finance cost decreased by 7.8%. Furthermore, the Q1 2019 bottom line was benefitted by Bt1.4 billion in foreign exchange gains.

Thai Airways continues to implement its business transformation plan, the Montra Project. In 2019, the airline intends to sell 16 decommissioned aircraft, increase ancillary revenue, and disposing of non-core subsidiary investments and real estate. Thai Airways would also stand to benefit from a country upgrade to Category 1 from the FAA.

Thai Airways International Public Company Limited. Management's Discussion and Analysis for three months ended March 31, 2019.

This report has been prepared for the Company by Amedeo Limited ("Amedeo") in its capacity as Asset Manager to the Company and is for the sole benefit of the Company. We agree to the disclosure of this report by the Company in its quarterly report to shareholders on the basis that in doing so Amedeo does not assume any responsibility or liability to any person other than the Company. Neither Amedeo nor any of its directors, officers or employees shall be responsible for any loss or damage suffered by any person, other than the Company, as a result of placing reliance on the contents of this report.

Contact Details Company	**Corporate & Shareholder Advisor**	**Asset Manager**
Amedeo Air Four Plus Limited Ground Floor, Dorey Court Admiral Park, St. Peter Port Guernsey GY1 2HT	Nimrod Capital LLP 3 St Helen's Place London EC3A 6AB United Kingdom	Amedeo Limited The Oval Shelbourne Road Dublin 4, Ireland
Tel: +44 1481 702400	Tel: +44 2073 824565	Tel: +353 1 205 7960

Contact with the Board

The Directors think it important that any Shareholder should be able to contact the Board, through the Chairman or any individual Director if they wish to do so. Contact email and telephone numbers for each Director are set out below.

Robin Hallam	**David Gelber**	**John Le Prevost**	**Laurence Barron**
Robin.Hallam@aa4plus.com	David.Gelber@aa4plus.com	John.LePrevost@aa4plus.com	Laurence.Barron@aa4plus.com
+44 7710 620 168	+44 7836 378 901	+44 1481 716 495	+86 (137) 0122 4884