Amedeo Air Four Plus Limited

Consolidated Half-yearly Financial Report (un-audited)

From 1 April 2021 to 30 September 2021

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STRATEGIC REPORT

SUMMARY INFORMATION

Trading	SFS
Ticker	AA4
SEDOL ISIN LEI	BKY41C6 GG00BMZQ5R81(Effective from 8 December 2021) GG00BKY41C61(Prior to compulsory redemption on 8 December 2021) 21380056PDNOTWERG107
Reporting Currency	Sterling
Launch Date / Share Price	13 May 2015 / 100 pence
Share Price	23.50 pence (as at 30 September 2021) 28.50 pence (as at 20 December 2021)
Market Capitalisation	GBP104 million (as at 30 September 2021) GBP98.98 million (as at 20 December 2021)
Dividend Payment Dates	January, April, July, October
Year End	31 March
Stocks & Shares ISA	Eligible
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
Website	www.aa4plus.com

CHAIRMAN'S STATEMENT

30/09/2021

Summary of performance

I am pleased to present our half year results for the period ending 30 September 2021, with the key numbers shown below:

Financial Year	Half-Year 2021-22	Half-Year 2020-21	Half-Year 2019-20
Total Rental Income (GBP)	95,433,962	103,952,131	132,294,877
Net Book Value Per Share (Pence)	72.45	117.96	112.76
Distributions Made (GBP)	0	0	26,492,812
Outstanding Shares	434,141,757	428,166,757	642,250,000
Outstanding Debt (GBP)	1,008,729,353	1,140,567,856	1,608,023,563

Subsequent to the period end, two significant events occurred:

- On 1 December we announced the return to shareholders of £30,000,000 by way of a compulsory redemption of one share for every five held (subject to rounding down of individual shareholdings). This redemption completed on 8 December.
- On 15 December Thai Airways formally completed restructured leases for four aircraft leased to them by subsidiaries of the Company. Full details of this event are given in the Company's announcement made on 16 December.

Your Board is pleased that it has been able to begin returning funds to investors, as we are extremely grateful for your patience and understanding during a very difficult last eighteen months or so. We are also pleased that with completion of the revised leases with Thai Airways, the last legal hurdle to the retention of significant value for investors has been cleared. Recent financings of similar Airbus A350-900 aircraft for credits such as Delta, Finnair and Air France show that this modern, fuel efficient aircraft will be in demand.

In the announcement of the compulsory redemption on 1 December your Board also committed to restart regular quarterly dividends to shareholders in January 2022. A further announcement on dividends will be made as early as possible in January 2022.

Share price performance

Throughout the period from 1 April 2021 until 30 November 2021, the Company's share price remained reasonably constant around 24 to 25 pence. After the announcements in December referred to above the price picked up to 28 to 29 pence.

At this level it is of course still far below "pre-pandemic" levels, and also below the book value indicated above. Inevitably, value has been lost due to circumstances beyond the Board's control – the long term impact of the pandemic on international flying and in particular on Thai Airways, the collapse of second hand values for A380s – but your Board is focussed on preserving value for shareholders and returning that value to them as quickly as we prudently can.

You will see from our Asset Manager's report that international flying continues to lag behind domestic flying in its recovery from the coronavirus. This is nothing to do with the aircraft and airlines themselves, but the restrictions on cross border flying which are political hurdles. This has especially hindered international travel in the Asia Pacific region, but the strong pick up in domestic travel in the USA, China and EU shows that the flying customer has not lost his or her desire to travel. Despite the recent emergence of a new variant of the virus, airlines are increasingly confident that international demand will return, including the premium and business traffic that generates profit. We share that confidence. As an example, Emirates has announced a recruitment drive for 6000 staff and now has around 55 A380 aircraft in the air.

Thailand restarted international tourism with effect from November 1st, albeit from a very low and restrictive base, and our aircraft are being brought back into use and generating modest revenue for us on a by the hour basis.

Other matters

Since this time last year, we have created a new Audit Committee which is now led by our new directors. Steve le Page is chair of the committee and he is joined by Mary Gavigan. Both of them have extensive audit and financial restructuring experience and are already bringing that experience to bear for the benefit of our shareholders.

Robin Hallam
Chairman

Date: 22 December 2021

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.

<u>AA4P PORTFOLIO UPDATE</u>

In May 2020 Thai Airways entered into Thai bankruptcy proceedings, ceased payment of rent under its leases and commenced a rehabilitation plan process, which included a company-wide restructuring and fleet rationalisation, subject, amongst other things, to Thai court approval. On 30 December 2020 the Company's subsidiaries entered into Letters of Intent ("**LOIs**") on commercial terms whereby the Company's leases would be restructured with Thai Airways. The Company's lenders consented to the LOIs and granted forbearance not to enforce repossession while the Company kept its interest payments current. On 29 and 30 July 2021 the Company finalised debt restructuring with the lenders, to accommodate the new lease terms as was envisaged in the LOIs, subject to completing the lease restructurings with Thai Airways prior to 31 December 2021. On 14 December 2021 the lease amendments were approved by the Thai Airways Plan Administrator and on 15 December 2021, the lease restructurings were executed.

Under the terms of the LOIs and now the restructured leases, Thai Airways pays rent on a power by the hour basis ("PBH") until December 2022. The MSN 123, 130, and 142 aircraft have been operated in commercial service, and MSN 177 is being inducted back into operations in December 2021. Consequently, the Company has been receiving some PBH rent, defraying its current interest payments to the lenders. MSN 142 is currently undergoing scheduled maintenance and MSN 177 will be inducted for its C-Check in Q1 2022, with MSNs 120 and 130 already having completed this process. From January 2023 the leases will switch to fixed monthly payments and the Company and its lenders have entered into hedging arrangements for the debt service.

Under the terms of the restructured debt, any surplus rent in excess of the interest payments during the PBH period and the debt service during the fixed period to 2029, and agreed cost contribution to the Company, will be applied towards principal amortisation.

We view the completion of this restructuring and the new lease terms as highly attractive to the market in short supply of product and will look and report to the Board opportunities to create equity value for the shareholders in the short to medium term.

Emirates released its half year financial results for the 2021/22 financial period, highlighting a loss of AED 5.8 billion (US$ 1.6 billion), compared to last year's loss of AED 12.6 billion (US$ 3.4 billion). However, the carrier also ended the first six months with strong revenues due to a much-improved passenger network, as well as cash reserves of AED 14.2 billion (USD 3.9 billion[1]) that will further help its recovery. Emirates currently carries out passenger and cargo operations to over 120 cities, representing 90% of its pre-pandemic network, and plans to restore 70% of its capacity (seats available on a route) by the end of the year. The airline also announced that is on track to return more than 50 A380 aircraft to service aircraft by the end of the year. Considering the airline is also introducing "premium economy" to its A380 fleet, which will include three aircraft of the Company, these developments are considered as quite positive.

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

AMEDEO'S ASSET INSPECTION REPORT TO AA4P

The utilisation figures below represent the total for each aircraft from first flight to 30 November 2021

Lessee	Model	MSN	REG	Delivery Date	Original Lease Expiry Date	Flight Hours	Flight Cycles
Emirates	A380-861	157	A6-EEY	04/09/2014	04/09/2026	23,633	3,761
	A380-861	164	A6-EOB	03/11/2014	03/11/2026	23,475	3,774
	A380-861	187	A6-EOM	03/08/2015	03/08/2027	25,397	2,391
	A380-861	201	A6-EOQ	27/11/2015	27/11/2027	17,707	2,799
	A380-861	206	A6-EOV	19/02/2016	19/02/2028	20,569	3,338
	A380-861	208	A6-EOX	13/04/2016	13/04/2028	16,110	2,543
	B777-300ER	42334	A6-EPO	28/07/2016	28/07/2028	20,306	5,036
	B777-300ER	42336	A6-EPQ	19/08/2016	19/08/2028	19,788	4,572
Thai Airways	A350-900	123	HS-THF	13/07/2017	13/07/2029	13,421	2,308
	A350-900	130	HS-THG	31/08/2017	31/08/2029	12,734	2,065
	A350-900	142	HS-THH	22/09/2017	22/09/2029	12,602	2,074
	A350-900	177	HS-THJ	26/01/2018	26/01/2030	10,745	1,764

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.
- Emirates' aircraft have been grounded from the end of March 2020, with the exception of the B777-300ER aircraft and A380's MSN 187 & 206.
- The MSN 123, 130, and 142 aircraft have been operated in commercial service, and MSN 177 is scheduled to re-enter commercial service in December 2021. MSN 142 is currently undergoing scheduled maintenance and MSN 177 will be inducted for its C-Check in Q1 2022, with MSNs 120 and 130 already having completed this process.
- Emirates fleet last operated as per the dates listed below:
  - MSN 157: 24 July 2021 (Positioning Flight from DXB – DWC)
  - MSN 164: 15 October 2021 (Positioning Flight from DWC – DXB)
  - MSN 187: In service (last revenue flight on 29 November 2021)
  - MSN 201: 18 August 2020 (Positioning Flight from DWC – DWC)
  - MSN 206: In service (Last revenue flight on 30 November 2021)
  - MSN 208: 26 August 2020 (Positioning Flight from DWC – DWC)
  - MSN 42334: In service (Last revenue flight on 30 November 2021)
  - MSN 42336: In service (Last revenue flight on 30 November 2021)
- Thai Airways fleet last operated as per the dates listed below:
  - MSN 123: In service (Last revenue flight on 30 November 2021)
  - MSN 130: In service (Last revenue flight on 30 November 2021)
  - MSN 142: In service (Last revenue flight on 20 September 2021)
  - MSN 177: 14 February 2021

Industry Update

The International Air Transport Association (IATA) announced that the recovery in air travel continued in October 2021 with broad-based improvements in both domestic and international markets. It also warned that the imposition of travel bans by governments, in light of the Omicron variant, could threaten the sector's recovery.

Total demand for air travel in October 2021 (measured in revenue passenger kilometers or RPKs) was down 49.4% compared to October 2019. This was improved over the 53.3% fall recorded in September 2021, compared to two years earlier. Domestic markets were down 21.6% compared to October 2019, bettering the 24.2% decline recorded in September versus September 2019. International passenger demand in October was 65.5% below October 2019, compared to a 69.0% decline for September versus the 2019 period, with all regions showing improvement.

IATA's Director General, Willie Walsh, claims "October's traffic performance reinforces that people will travel when they are permitted to. Unfortunately, government responses to the emergence of the Omicron variant are putting at risk the global connectivity it has taken so long to rebuild". Willie Walsh believes the emergence of the Omicron variant panicked many governments into once again restricting or entirely removing the freedom to travel—even though WHO clearly advised that 'blanket travel bans will not prevent the international spread, and they place a heavy burden on lives and livelihoods.'

IATA released October 2021 data for global air cargo markets showing that demand continued to be well above pre-crisis levels and that the capacity constraints have eased slightly. Global demand, measured in cargo tonne-kilometers (CTKs*), was up 9.4% compared to October 2019 (10.4% for international operations). Capacity constraints have eased slightly but remain 7.2% below pre-COVID-19 levels (October 2019) (-8.0% for international operations). Willie Walsh stated that "October data reflected an overall positive outlook for air cargo. Supply chain congestion continued to push manufacturers towards the speed of air cargo. Demand was up 9.4% in October compared to pre-crisis levels. And capacity constraints were slowly resolving as more passenger travel meant more belly capacity for air cargo. The impact of government reactions to the Omicron variant is a concern. If it dampens travel demand, capacity issues will become more acute."

<u>EMIRATES GROUP</u>

Half Year 2021/22 Financial Results[2]:

The airline reported a loss of AED 5.8 billion (US$ 1.6 billion), compared to last year's loss of AED 12.6 billion (US$ 3.4 billion). Emirates revenue, including other operating income, of AED 21.7 billion (US$ 5.9 billion) was up 86% compared with the AED 11.7 billion (US$ 3.2 billion) recorded during the same period last year. The strong revenue recovery reflects the quick return of passenger demand wherever flight and travel restrictions were eased around the world. Emirates operating costs increased by 22% against an overall capacity growth of 66%. Driven by the significant increase in operations during the six months, Emirates' EBITDA recovered to AED 5.0 billion (US$ 1.4 billion) compared to AED 290 million (US$ 79 million) for the same period last year. Emirates reported cash assets of AED 14.2 billion (US$ 3.9 billion), which included a capital injection of AED 2.5 billion (US$ 681 million) by the Government of Dubai to support the airline on its recovery.

Operations:

Emirates currently flies to over 120 cities, representing 90% of its pre-pandemic network, and plans to restore 70% of its capacity by the end of the year with the addition of more than 280,000 seats across its global network. Emirates carried 6.09 million passengers during the first 6 months of the 2021/22 financial period. This was a significant improvement compared to the 1.45 million recorded for HY 2020/21. Emirates also reported improved passenger load factors of 47.9% (Up 9.3%) and increased capacity (measured in available tonnes kilometres) to 16.3 billion, which is a 66% improvement from HY 2020/21. Cargo operations continued to impress, as the carrier recorded 1.1 million tonnes handled, which brings the airline back to 90% of pre-pandemic levels by volume handled.

By 30 September, the airline was operating passenger and cargo services to 139 airports, utilising its entire Boeing 777 fleet and 37 A380s. The airline is also targeting to return to service around 50 A380 aircraft by the end of the year.

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

In line with the continued easing of travel restrictions around the globe, Emirates has announced that its flagship A380 aircraft will soon be deployed to an expanded list of destinations starting in October and November. By the end of November, the number of cities that the aircraft will serve will be scaled up to 27, representing a more than 65% increase from its current 16. Emirates will re-instate its signature A380 services to popular leisure and business destinations such as Amsterdam, Barcelona, Dusseldorf, Hamburg, Johannesburg, Madrid, Milan, Riyadh (subject to government approvals), Sao Paulo and Zurich. Emirates will also introduce a new route to its A380 network that was previously not served by the world's largest commercial aircraft. Emirates also introduced a new route to its A380 network, as services to Istanbul were launched on 1 October. As the world's largest operator of the A380 aircraft, the airline's total fleet of A380s will reach 118 by year-end. Emirates also announced that it will retrofit 105 of its modern wide-body aircraft with its Premium Economy product, in addition to other cabin enhancements. The 18-month retrofit programme, scheduled to begin at the end of 2022, and will see 52 Emirates A380s and 53 Boeing 777s fitted with a new cabin class. As previously announced, MSN 201, 206, and 208 have currently been selected for the cabin upgrade.

In addition to signifying the airline's continued commitment to and confidence in the A380, Emirates is scaling up of operations across its global network to meet the surge in customer demand to Dubai as well as other destinations that allow quarantine-free entry for specific nationalities and vaccination status. Dubai safely welcomed over 4 million overnight leisure and business visitors since it reopened in July 2020 and with Expo 2020 underway, the city is preparing to welcome visitors for the world's largest gathering and most highly anticipated event. From December, Emirates will restart flights to London Gatwick Airport (LGW) with a daily Boeing 777 service, increasing the number of weekly flights to the UK to 84 by the end of December. Adnan Kazim, Emirates' Chief Commercial Officer, observed a surge in demand after the UK simplified travel and was prepared to accept international vaccination certificates from 55 countries starting on 4 October. On the day of the Biden Administration's decision to lift travel restrictions to the US, Emirates announced plans to increase frequencies to six of its current 12 US destinations starting from October. This will result in 78 weekly flights.

THAI AIRWAYS INTERNATIONAL

Q3'2021 Financial Results[3]:

As at 30 September 2021, total revenues of Thai was THB 78,567m (c.US$ 2.33bn), an increase of 76% compared to the THB 44,534m (c. US$ 1.32bn) recorded for the same period the previous year. Total expenses were of THB 22,650m (c. US$ 671.51m), THB 56,792m (c. US$ 1.68bn) or 71% lower than last year, mainly due to operating expenses that varied with traffic production, traffic demand and a decrease in staff expenses after downsizing its workforce.

Moreover, the airline recorded an operating profit of THB 55,916m (c. US$ 1.66bn), an improvement from the loss of THB 34,909m (c. US$ 1.03bn) recorded for the same period the previous year. Thai reported a total net profit of THB 51,115m (US$ 1.52bn), which is a significant improvement from the loss of THB 49,560m (c. US$ 1.47bn) recorded for the first 9 months of the 2020/21 financial year.

As of September 30 2021, total assets tallied THB 163,703m (c. US$ 4.85bn), lower by THB 45,594m (c. US$ 1.35bn) or 22% from as at December 31 2020. Total liabilities as of September 30 2021 were THB 240,196m (c. US$ 7.12bn), decreased by THB 97,766m or (c. US$ 2.90bn) or 29% from as of December 31 2020.

Operations:

As detailed in the AA4P Portfolio Update section above, the Company is pleased to announce that the lease restructurings with Thai Airways have now been duly finalised and executed. The MSN 123, 130, and 142 aircraft have been operated in commercial service, and MSN 177 is being inducted back into operations in December 2021.

It has been a slow recovery process for Thai, particularly due to the lingering cases of COVID Thailand has faced, as well as the general downturn in the market. However, the carrier looks set to take a more aggressive approach, over the next couple months. On the 1 November 2021, Piyasvasti Amranand, who is part of the restructuring committee at Thai, announced that the carrier will sell aircraft and cut

[3] US$ Figures are converted at US$ 1 = THB 33.73

nearly a third of its workforce as part of a plan to slim down the fleet and cut costs. Piyasvasti said that after the sale Thai Airways will have 58 aircraft across 4 types, and that the carrier will reduce the number of workers from 21,300 to 14,500 by December 2022. Piyasvasti also added that to further help cashflows, the airline will conclude a credit agreement valued at around $750 million with financial institutions by next year and is in talks with the government for an additional $750 million.

The Government of Thailand is also doing its part in improving tourism and travel to Thailand. Earlier in July, the Phuket Sandbox program was initiated, effectively turning Thailand's largest island into a quarantine zone for overseas tourists. Initially, there were much stricter quarantine and testing rules for the program, however since July the Government of Thailand has lowered restrictions for the tourism program with new rules in place as of 1 November. Currently, fully vaccinated travellers who have stayed a minimum of 21 days in one of 63 approved "low risk" countries and territories-- including the United States, the United Kingdom, Australia, India and Canada -- can avoid a lengthy hotel quarantine for the first time in more than 18 months. The incoming travellers who meet the updated requirements will only need to stay one night in a government-approved hotel while they await the results of a COVID-19 test that will be administered upon arrival. Tourists who aren't fully vaccinated with an approved vaccine must quarantine in a pre-booked, government-approved hotel for 10 days upon arrival. Fully vaccinated travellers arriving from countries not on the list of 63 countries are eligible to enter through the "sandbox" scheme that requires them to stay in a government-approved hotel or resort in one of 17 "blue" destinations, including Phuket, Bangkok, Chiang Mai and Koh Samui, for 7 nights before they will be allowed to travel freely in the country.

BOARD OF DIRECTORS

As at 30 September 2021, the Company had five directors, all of whom are independent and non-executive. Robin, David and Laurence held office throughout the period under review. Steve and Mary were appointed as directors of the Company with effect from 27 July 2021.

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 ("ISTAT") and was ranked Band 1 for Asset Finance in Chambers UK 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, an inter-dealer broker, as COO and oversaw two mergers and a number of acquisitions. He is currently a non-executive director of Walker Crips PLC, a stock broker and wealth manager; and a non-executive director of IPGL, a holding company with investments in numerous companies on several of which he serves as a director (DDCAP an arranger of Sharia Compliant transactions, Tellimer Ltd an online research platform for frontier markets, Veridium ID a biometric identification provider, Opportunity Network a B2B CEO platform and Aviva Singapore Life Ltd, a entity recently formed from a merger of Singapore Life with the local operations of Aviva PL). David holds a BSc in Statistics and Law from the University of Jerusalem and an MSc in Computer Science from the University of London.

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.

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 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. On appointment as a director, Steve was also appointed as chairman of the Audit Committee.

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 most of her career at KPMG. She is a Non-Executive Director of STM Life Assurance PCC PLC and its sister company London & Colonial Assurance PCC PLC where she is Chair of the Audit Committee as well as a member of the Risk Management Committee. Mary is also a Non-Executive Director of the National Deposit Friendly Society Ltd where she is Chair of its Audit Committee and of its Remuneration Committee. Mary's charity work includes being a Trustee of Epilepsy Research UK. Mary holds a BBS and MA from Trinity College Dublin. On appointment as a director, Mary also became a member of the Audit Committee.

John Le Prevost resigned as director of the Company, for personal reasons, with effect from 21 June 2021.

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. 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 20 December 2021, 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 28.50 pence per Share giving the Company a market capitalisation of £98.98 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 current 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 but rather all effort is concentrated on managing the current economic challenges to ensure the Company's long term survival.

Investment Portfolio

As at the financial reporting date of 30 September 2021 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 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 recommences the payment of quarterly dividends in January 2022.

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.

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 22 to 52 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 2021.

Going Concern

The Group's principal activities are set out within the Corporate Information on pages 13 to 14. The financial position of the Group is set out on page 19. In addition, note 17 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 considered whether the Company will remain a going concern for the next 15 months from the period ended 30 September 2021.

Government restrictions on travel as a result of the pandemic still remain, however the forecast for travel is improving and the vaccine and booster roll outs are becoming more widespread across the globe. Emirates continues to expand its network as restrictions are lifted and has released its half year report for 2021/22, which indicates an improvement in operations as well as a healthy cash reserve to assist in the road to recovery. The announcement, at the Dubai Air Show in November, that Emirates will retrofit Premium Economy seats to fifty-three 777's and fifty-two A380s has been viewed positively by the Board, as margins on premium economy are very close to those of business class for many carriers. Similarly, the situation in Thailand is improving as the government reduces travel and quarantine restrictions, which should be beneficial for the important tourism sector of the Thai economy.

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

While the Group is reporting a loss (before foreign exchange gains) in the current period, it is in a net current asset position and continues to generate strong positive operating cash flows.

The Board has reviewed plausible downside scenarios (such as receiving no further power-by-the hour rental income from Thai) and implemented sufficient measures, such as the temporary suspension of dividends, in order to best position itself to settle its future debt obligations in the short term to medium term. Additionally, the Group has arranged with its lenders an optimal solution that will facilitate servicing of the loans in line with the rent received under the recently agreed lease amendments. The solution will allow for the Group to address its expenses and its loan obligations with the income generated.

Whilst progress has been made, the Directors remain uncertain as to the ability of one of its lessees to maintain its liquidity in order to comply with its' rehabilitation plan. As a result, fixed rental receivables might not be sufficient to meet interest payments and also principal repayments once they become due. However, on the basis of (i) the Group's current liquid assets, (ii) cash-flow projections, and (iii) the current improving landscape for travel, the Directors nevertheless believe that the going concern basis of accounting is appropriate although potentially material uncertainties outside of the Board's control remain.

Responsibility Statement

The Directors confirm that to the best of their knowledge:

(a) the condensed set of consolidated financial statements, prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and

(b) this interim management report (including the information incorporated by reference) includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that the Group faces.

Signed on behalf of the Board of directors of the Company on 22 December 2021.

Steve Le Page
Director

INDEPENDENT REVIEW REPORT TO SHAREHOLDERS OF THE COMPANY

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Amedeo Air Four Plus Limited ("the Group") as at 30 September 2021, the 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 for the six month period then ended, and notes, to the interim financial information ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of the condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on the condensed consolidated interim financial information based on our review.

Material uncertainty related to going concern

We draw attention to Note 2 ('Going Concern') in the condensed consolidated interim financial information, which indicates material uncertainties in relation to one of its lessees maintaining its liquidity in order to comply with the rehabilitation plan agreed with its creditors and the fixed rents receivable under the leases being sufficient to meet the loan interest payments and principal payments once they come due. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Our report is not modified in respect of this matter.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, 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 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at and for the six month period ended 30 September 2021 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' and the AIM Rules.

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 letter. 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.

22 December 2021

KPMG
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 April 2021 to 30 September 2021

	Notes	1 Apr 2021 to 30 Sep 2021 GBP	1 Apr 2020 to 30 Sep 2020 GBP
INCOME			
US Dollar based rent income	**4**	78,079,704	86,639,389
British Pound based rent income	**4**	17,354,258	17,312,742
		95,433,962	103,952,131
EXPENSES			
Operating expenses	**5**	(2,965,559)	(4,734,513)
Depreciation and amortisation of aircraft	**9**	(55,605,841)	(61,333,394)
Expected credit loss	**12**	(22,171,247)	(22,969,273)
		(80,742,647)	(89,037,180)
Net profit for the period before finance income, finance costs and foreign exchange gains		14,691,315	14,914,951
FINANCE INCOME			
Finance income	**10**	1,156,972	268,220
FINANCE COSTS			
Finance costs	**11**	(18,910,287)	(24,948,329)
.			
Foreign exchange gains		211,900	463,367
Loss before tax		(2,850,100)	(9,301,791)
Income tax credit/(expense)	**21**	64,797	(28,444)
Loss for the period after tax		(2,785,303)	(9,330,235)
OTHER COMPREHENSIVE LOSS			
Items that may be reclassified subsequently to profit or loss			
Translation adjustment on foreign operations	**2f**	5,618,362	(19,251,659)
Total comprehensive income/(loss) for the period		2,833,059	(28,581,894)
		Pence	**Pence**
Loss per share for the period - basic and diluted	**8**	(0.65)	(1.46)

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

The notes on pages 22 to 52 form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

	Notes	30 Sep 2021 GBP	31 Mar 2021 GBP
NON-CURRENT ASSETS			
Aircraft	**9**	1,242,165,257	1,270,311,830
Deferred tax asset	**21**	66,074	-
Derivatives at fair value through profit and loss	**16**	4,102,422	-
		1,246,333,753	1,270,311,830
CURRENT ASSETS			
Accrued income	**22**	13,712,617	13,045,326
Short term investments	**13**	36,587,058	22,789,120
Trade and other receivables	**12**	14,149,803	12,830,033
Cash and cash equivalents	**19**	103,342,904	118,060,583
		167,792,382	166,725,062
TOTAL ASSETS		1,414,126,135	1,437,036,892
CURRENT LIABILITIES			
Payables		142,261	121,026
Deferred income	**22**	8,243,738	8,195,657
Maintenance provisions	**20**	72,991	-
Borrowings	**14**	77,457,339	97,081,633
		85,916,329	105,398,316
NON-CURRENT LIABILITIES			
Derivatives at fair value through profit and loss	**16**	4,232,111	4,939,122
Maintenance provisions	**20**	56,121,298	54,934,474
Borrowings	**14**	931,272,014	936,474,385
Deferred income	**22**	22,057,017	23,596,288
		1,013,682,440	1,019,944,269
TOTAL LIABILITIES		1,099,598,769	1,125,342,585
TOTAL NET ASSETS		314,527,366	311,694,307
EQUITY			
Share capital	**15**	550,834,003	550,834,003
Foreign currency translation reserve		24,575,890	18,957,528
Retained deficit		(260,882,527)	(258,097,224)
		314,527,366	311,694,307
		Pence	**Pence**
Net Asset Value Per Share based on 434,141,757 (31 March 2021: 434,141,757 shares in issue		72.45	71.80

The financial statements were approved by the Board and authorised for issue on 22 December 2021.

The notes on pages 22 to 52 form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from 1 April 2021 to 30 September 2021

	Notes	1 Apr 2021 to 30 Sep 2021 GBP	1 Apr 2020 to 30 Sep 2020 GBP
OPERATING ACTIVITIES			
Loss for the period after tax		(2,785,303)	(9,330,235)
Interest income		(105,889)	(268,220)
Depreciation and amortisation of aircraft	**9**	55,605,841	61,333,394
Expected credit loss		22,171,247	22,969,274
Taxation (credit)/expense		(64,797)	28,444
Loan interest payable	**11**	18,137,803	22,603,932
Fair value adjustments on financial assets		(1,051,083)	1,495,898
Foreign exchange movement		(211,900)	(463,367)
Amortisation of debt arrangement costs	**11**	772,484	848,499
Increase in accrued income		(1,267,223)	(1,327,474)
Decrease in deferred income		(1,935,802)	(2,083,368)
Increase in payables		21,235	35,376
Increase in receivables		(22,515,751)	(22,983,874)
Maintenance reserves received		-	2,987,102
Taxation paid		-	(3,347)
NET CASH FROM OPERATING ACTIVITIES		**66,770,862**	**75,842,034**
INVESTING ACTIVITIES			
Investment in short term deposits	**13**	(36,587,058)	(3,921,920)
Withdrawal from short term deposits	**13**	22,789,120	-
Interest received		105,889	268,220
NET CASH USED IN INVESTING ACTIVITIES		**(13,692,049)**	**(3,653,700)**
FINANCING ACTIVITIES			
Repayments of capital on senior loans		(47,459,584)	(45,233,511)
Payments of interest on senior loans		(13,324,600)	(17,029,357)
Payments of interest on junior loans		(5,138,465)	(5,595,673)
Security trustee and agency fees	**11**	(95,782)	(103,583)
Premium paid on derivatives acquired		(3,647,627)	-
NET CASH USED IN FINANCING ACTIVITIES		**(69,666,058)**	**(67,962,124)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**118,060,583**	**247,911,207**
(Decrease)/increase in cash and cash equivalents		(16,587,245)	4,226,210
Effects of foreign exchange rates		1,869,566	(7,245,540)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**19**	**103,342,904**	**244,891,877**

The notes on pages 22 to 52 form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 April 2021 to 30 September 2021

	Notes	Share capital	Retained deficit	Foreign currency translation reserve	Total
		GBP	GBP	GBP	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 income 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

	Notes	Share capital	Retained deficit	Foreign currency translation reserve	Total
		GBP	GBP	GBP	GBP
Balance as at 1 April 2020		647,638,697	(74,837,259)	59,338,134	632,139,572
Loss for the period		-	(9,330,235)	-	(9,330,235)
Other comprehensive loss for the period		-	-	(19,251,659)	(19,251,659)
Total comprehensive loss for the period		-	(9,330,235)	(19,251,659)	(28,581,894)
Transactions with owners of the Company:					
Share redemption		(98,478,292)	-	-	(98,478,292)
Balance as at 30 September 2020		549,160,405	(84,167,494)	40,086,475	505,079,386

The notes on pages 22 to 52 form an integral part of these condensed consolidated financial statements.

1. GENERAL INFORMATION

The 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. During the 31 March 2020 financial year, two Airbus A380 aircraft were sold to Etihad after which the related subsidiaries were liquidated. Eight of the remaining aircraft are leased to Emirates and four are leased to Thai Airways. 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, with the exception of the four Thai aircraft, are furthermore fixed 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 to be paid out.

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2. ACCOUNTING POLICIES

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

(a) Basis of preparation

The 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 2021 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 Standards. 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 Consolidated Statement of Comprehensive Income, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and the related notes was from 1 April 2020 to 30 September 2020. 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.

Change in comparatives

The comparative figure for bank interest received has been reclassified to be included in finance income in the Statement of Comprehensive Income and the presentation was changed of certain figures in the cash flow statement (changes in accrued income and deferred income were separately presented) in order to conform to the current period presentation. There is no material impact of these amendments on the financial statements.

2. ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

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.

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

IFRS 9, IAS 39 and IFRS 7 – Financial Instruments

IFRS 9, IAS 39 and IFRS 7 'Financial Instruments'- Interest Rate Benchmark Reform – Phase 1 deals with pre-replacement issues (issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark), and was effective for annual periods beginning on or after 1 January 2020.

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. With publication of the phase two amendments, the IASB has completed its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest. Inherent in allowing the use of this practical expedient is the requirement that the transition from an IBOR benchmark rate to an RFR takes place on an economically equivalent basis with no value transfer having occurred.

The Group is monitoring the developments and effect and is in the process of considering the impact of the US Dollar LIBOR reform on the debt and derivatives. As this LIBOR will be published until June 2023, there is no impact on the current period. The effective date is for annual periods beginning on or after 1 January 2021. The standard does not have a material impact on the financial statements or performance of the Group.

IFRS 16 - Leases

IFRS 16 'Leases' – COVID-19 related rent concessions. In March 2021, the IASB amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the coronavirus (COVID-19) pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The standard does not have a material impact on the financial statements or performance of the Group.

2. ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

New and Revised Standards in issue but not yet effective

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. The standard is not expected to have a material impact on the financial statements or performance of the Group.

IAS 1 'Presentation of financial statements' Classification of Liabilities as Current or Non-current. The IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The effective date is for annual periods beginning on or after 1 January 2023. The amendments to the standard are not expected to have a 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. 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.

2. ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

New and Revised Standards in issue but not yet effective (continued)

IAS 37 - Onerous Contracts. In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The effective date is for annual periods beginning on or after 1 January 2022. The standard is not expected to have a material impact on the financial statements or performance of the Group.

IFRS 17 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. The effective date is for annual periods beginning on or after 1 January 2023. The standard is not expected to have a material impact on the financial statements or performance of the Group.

IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction. In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The effective date is for annual periods beginning on or after 1 January 2023. The standard is not expected to have a material impact on the financial statements or performance of the Group.

(b) Basis of consolidation

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

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

2. ACCOUNTING POLICIES (continued)

(c) Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company and the Guernsey Subsidiaries have been assessed for tax at the Guernsey standard rate of 0%. Since AA4P Leasing Ireland Limited and AA4P Leasing Ireland 2 Limited are Irish tax resident trading companies, they will not be subject to Guernsey tax, but their net lease rental income earned (after tax deductible expenditure) will be taxable as trading income at 12.5% under Irish tax regulations. Please refer to note 21 for more information.

(d) Share capital

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

(e) Interest income and expenses

Interest income and expenses are accounted for on an effective interest rate basis.

(f) 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 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.

2. ACCOUNTING POLICIES (continued)

(g) Cash and cash equivalents

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

(h) Segmental reporting

The Directors have overall responsibility for the Group's activities, including investment activity and are therefore considered the chief operating decision maker.

The Directors are of the opinion that the Group is engaged in a single segment of business, being acquiring, leasing and selling aircraft (together the "Assets" and each an "Asset"). The Directors consider this appropriate due to the nature of the revenue earned for the business as a whole from its aircraft, being lease income from lessees predominantly as a result of passenger revenue earned by the airlines. However the Directors have chosen to disclose certain geographical information as per note 24.

(i) Going concern

The Directors have prepared these financial statements for the period ended 30 September 2021 on the going concern basis. However, the Directors have identified the matters referred to below which may indicate the existence of one or more material uncertainties that may cast doubt on the Group's ability to continue as a going concern and that the Group may, as a consequence, be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors have considered whether the Company will remain a going concern for the next 15 months from the period ended 30 September 2021.

While the Group is reporting a loss (before foreign exchange gains) in the current period, it is in a net current asset position and continues to generate strong positive operating cash flows.

The Board has reviewed plausible downside scenarios (such as receiving no further power-by-the hour rental income from Thai) and implemented sufficient measures, such as the temporary suspension of dividends, in order to best position itself to settle its future debt obligations in the short term to medium term. Additionally, the Group has arranged with its lenders an optimal solution that will facilitate servicing of the loans in line with the rent received under the recently agreed lease amendments. The solution will allow for the Group to address its expenses and its loan obligations with the income generated.

Whilst progress has been made, the Directors remain uncertain as to the ability of one of its lessees to maintain its liquidity in order to comply with its' rehabilitation plan. As a result, fixed rental receivables might not be sufficient to meet interest payments and also principal repayments once they become due.

However, on the basis of (i) the Group's current liquid assets, (ii) cash-flow projections, and (iii) the current improving landscape for travel, the Directors nevertheless believe that the going concern basis of accounting is appropriate although potentially material uncertainties outside of the Board's control remain.

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

The Group's aircraft with carrying values of £1,242,165,257 (31 March 2021: £1,270,311,380) are pledged as security for the Group's borrowings (see note 14).

2. ACCOUNTING POLICIES (continued)

(j) Leasing and rental income

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

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, the variable portion of which is treated as contingent rent. Contingent rent is recognised in the period in which it is earned.

The 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. This liability will reduce over time as the leases continue and approach the end of the lease terms.

Changes in lease payments that result from the terms included in the original lease contract or in applicable law or regulations are considered as part of the original lease terms and conditions of the lease. If there is no change in either the scope of or the consideration of the lease, then the Company assumes that there is no lease modification.

Where an increase in scope occurs and the payment for this increase in scope is commensurate, any modification will be considered a new lease, and any remaining prepayments and accruals are included in the accounting for the new lease. If the new lease continues to be classified as operating, the future cash flows are recognised on a straight line (or other systematic basis), adjusted for any prepayments or accruals with the balance written down to zero at the end of the lease. Where there is no lease modification, the existing accounting policy is followed.

(k) Maintenance provision liabilities

In some of the Group’s operating lease contracts, the lessee has an obligation to make periodic payments which are calculated with reference to utilisation of airframes, engines and other major life-limited components during the lease. Upon presentation by the lessee of the invoices evidencing the completion of qualifying work on the aircraft, the Group reimburses the lessee for the work, up to a maximum of the advances received with respect to such work.

2. ACCOUNTING POLICIES (continued)

(k) Maintenance provision liabilities (continued)

The Group records such amounts as maintenance provisions and sums received by the Group in this respect are included in cash and cash equivalents but are not available to the Group for any other purpose. Maintenance provisions not expected to be utilised within one year are classified as non-current liabilities. Amounts not refunded during the lease are recorded as lease revenue at lease termination. Upon redelivery of the aircraft leased to Emirates at the end of the lease, if the aircraft does not meet the return condition set out, monetary compensation will be receivable and accounted for as lease revenue. Where the aircraft has been maintained and meets the return conditions, this will not be due. Further details are given in note 20.

(l) 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 2021. 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.

(m) Financial assets and financial liabilities

(a) Classification

The Group classified its financial assets and financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through the Consolidated Statement of Comprehensive Income), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in the Consolidated Statement of Comprehensive Income.

2. ACCOUNTING POLICIES (continued)

(m) Financial assets and financial liabilities (continued)

The interest rate swaps and interest rate caps in the Group are measured at FVTPL as they are derivatives. The interest rate swaps and interest rate caps 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.

(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 Consolidated Statement of Comprehensive Income.

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 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 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 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 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 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. For all other financial instruments, expected credit losses are measured at an amount equal to the 12 month expected credit losses.

2. ACCOUNTING POLICIES (continued)

(m) Financial assets and financial liabilities (continued)

(c) Impairment (continued)

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.

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.

(n) Non-derivative financial liabilities

Financial liabilities consist of payables, security deposits and borrowings. The classification of financial liabilities at initial recognition will be at amortised cost to the extent it is not classified at FVTPL. All financial liabilities are initially measured at fair value, net of transaction costs. All financial liabilities are recorded on the date on which the Group becomes party to the contractual requirements of the financial liability.

Amortised cost: Interest expenses from financial liabilities is included in finance costs using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the Consolidated Statement of Comprehensive Income and presented in other gains / (losses), together with foreign exchange gains and losses.

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

Associated costs are subsequently amortised on an effective interest rate basis over the life of the loan and are shown net on the face of the Consolidated Statement of Financial Position over the life of the lease.

In accordance with IFRS 9, when a debt instrument is restructured or refinanced and the terms have been substantially modified, the transaction is accounted for as an extinguishment of the old debt instrument, and the recognition of a new instrument at fair value. The difference between the fair value of the debt and the old debt at amortised cost is recognised as a gain or loss in the Statement of

2. ACCOUNTING POLICIES (continued)

(n) Non-derivative financial liabilities (continued)

Comprehensive Income. Costs or fees incurred as part of the modification are recognised as part of the gain or loss on extinguishment.

If the exchange or modification is not accounted for as an extinguishment (i.e. because the modification is non-substantial), then the amortised cost of the liability is recalculated by discounting the revised estimated future cash flows at the instrument's original effective interest rate. The adjustment to the new amortised costs is recognised as a catch up gain or loss in the Statement of Comprehensive Income. Costs or fees incurred as part of the modification are added to the liability and amortised over the term of the modified liability.

The Group derecognises financial liabilities when, and only when, the Group has transferred substantially all risks and rewards of its obligations.

(o) Net Asset Value

In circumstances where the Directors are of the opinion that the NAV or NAV per Share, as calculated under prevailing accounting standards, is not appropriate or could give rise to a misleading calculation, the Directors, in consultation with the Administrator may determine, at their discretion, an alternative method for calculating a more useful value of the Group and shares in the capital of the Company, which they consider more accurately reflects the value of the Group.

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(l), 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.

The Directors are unable to make a direct market comparison in making this estimation, as currently there are no aircraft of a similar type of sufficient age and/or there is minimum to no public secondary market trading data available. After consulting with the Asset Manager, the Directors have concluded that a forecast market value using Minimum Return Conditions ("MRC") values (determined annually from three independent expert aircraft valuers) for the A380 aircraft at the end of the lease (excluding inflationary effects) best approximates residual value.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Residual value of Aircraft used in depreciation calculation (continued)

MRC refers to minimum return conditions per the lease contracts whereby the aircraft is returned in the specified minimum life condition and includes estimated monetary compensation from Emirates for the return of the A380s in that specified condition upon the end of the lease. No other conditions exist.

In estimating residual value 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.

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 loss before exchange gains for the period would have increased and closing shareholders' equity would have decreased by approximately £6.19 million (30 September 2020: £8.76 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. The Board together with the Asset Manager decided that it was prudent to conduct an impairment test in the year ended 31 March 2021

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.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

Impairment (continued)

The Board has considered the book value of its Aircraft and discussed whether in light of recent announcements since 1 April 2021, whether 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 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 2021 can be relied on at the 30 September 2021 period end. During the six months that have passed since then, there have been no significant developments within the market that would impact the value of the company's assets, such as i) increased lockdown/travel restrictions, ii) increased aircraft retirements or even iii) introduction of new technology that would lead to increased competition to the Company's assets. Similarly, there has been no change to the status of the Company's lessees, which would adversely impact operations or the income received by the Company. These factors considered, there have been no specific triggering events that would require further impairment review. The Group will again be carrying out a full and thorough appraisal of residual values come the next March financial year end.

The Directors have also considered that market capitalisation at period end of £102,023,313 (31 March 2021: £104,194,022) is below Net Asset value of £314,539,775 and have concluded that no impairment charge is necessary due to the fact that impairment will be performed at the next financial year end using the inputs from competent aircraft appraisers. Market capitalisation also reflects psychology of market participants which is not relevant for aircraft impairment assessment at period end.

Modification of borrowings

During the period, amended loan agreements have been signed for the loans held with the lenders of the Thai aircraft. Based on the terms and conditions of the agreements, the effective date of the loan amendments is 31 July 2021.

In addition to the quantitative tests as per IFRS 9, the Group also considers the new agreed loan terms in its assessment of loan modifications. No adjustment has been raised with respect to these modifications in the current period as the Group considers the impact not to be material as at period end.

The costs in relation to entering into the interest rate cap agreements have been recognised separately as part of the cost of the derivatives.

The loans with respect to the Thai aircraft are reflected at amortised cost at the 30 September 2021 period end.

4. RENTAL INCOME

	1 Apr 2021 To 30 Sep 2021 GBP	1 Apr 2020 To 30 Sep 2020 GBP
US Dollar based rent income	74,885,362	83,244,474
Revenue earned but not yet received	1,225,136	1,272,105
Revenue received but not yet earned	(44,460)	(84,231)
	76,066,038	84,432,348
Amortisation of advanced rental income (US Dollar)	2,013,666	2,207,041
	78,079,704	86,639,389
British Pound based rent income	17,345,575	17,296,815
Revenue earned but not yet received	42,087	55,369
Revenue received but not yet earned	(33,404)	(39,442)
	17,354,258	17,312,742
Total rental income	95,433,962	103,952,131

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 rate for the period.

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 four A350-900 aircraft have variable lease rentals, the variable portion of which is treated as contingent rent. Contingent rent is recognised in the period in which it is earned.

The contingent rent including PBH rent for the period ended 30 September 2021 is £646,159 (30 September 2020: £547,014).

Refer to note 24 for information on geographical revenue.

5. OPERATING EXPENSES

	1 April 2021 to 30 Sep 2021 GBP	1 April 2020 to 30 Sep 2020 GBP
Corporate and shareholder adviser fee	43,671	1,239,061
Asset management fee	1,393,138	2,527,331
Administration fees	212,557	238,034
Bank charges	3,850	3,568
Registrar's fee	6,349	8,020
Audit fee	70,349	53,322
Directors' remuneration	139,153	134,532
Director's' and Officers' insurance	138,524	44,227
Legal and professional expenses	897,219	371,656
Annual regulatory fees	7,632	9,154
Sundry costs	23,410	29,047
Cash management fee	29,707	76,561
	2,965,559	4,734,513

6. DIRECTORS' REMUNERATION

The directors' fees are £61,500 (30 September 2020: £61,500) per annum with the Chairman receiving an additional fee of £15,375 (30 September 2020: £15,375) per annum and the Chairman of the audit committee an additional £7,687 (30 September 2020: £7,687) per annum.

7. DIVIDENDS IN RESPECT OF SHARES

Dividends of £Nil have been paid in the period (30 September 2020: £Nil). On 1 December 2021 the Company announced its intention to recommence the payment of Quarterly dividends in January 2022.

8. LOSS PER SHARE

Loss per Share is based on the loss for the period of £2,785,303 (30 September 2020: loss of £9,330,235) and 434,141,757 shares (30 September 2020: 639,910,292 shares) being the weighted average number of Shares in issue during the period.

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

9. PROPERTY, PLANT AND EQUIPMENT - AIRCRAFT

	Aircraft 30 Sep 2021 GBP	**Aircraft 31 Mar 2021 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	33,009,871	249,104,624
Cost at beginning of period/year	1,969,109,939	2,185,204,692
Translation adjustment on foreign operations-current year*	45,157,709	(216,094,753)
Cost as at period/year end	2,014,267,648	1,969,109,939

	30 Sep 2021 GBP	**31 Mar 2021 GBP**
ACCUMULATED DEPRECIATION, IMPAIRMENT AND AMORTISATION		
Opening balance	698,798,109	470,695,842
Depreciation for the current period/year based on previous year residual values	55,226,545	117,811,781
Amortisation of acquisition costs on aircraft	379,296	756,519
Adjustment due to change in estimate	-	18,598,802
Net depreciation charge on all aircraft for the period/year	55,605,841	137,167,102
Disposals	-	-
Translation adjustment on foreign operations*	17,698,441	(60,416,607)
Accumulated depreciation as at period/year end	772,102,391	547,446,337
Adjustment due to impairment	-	152,115,323
Translation adjustment on foreign operations*	-	(763,551)
Accumulated depreciation and impairment as at period/year end	772,102,391	698,798,109
Carrying amount - opening balance	1,270,311,830	1,714,508,850
Carrying amount as at period/year end	1,242,165,257	1,270,311,830

***Translation adjustment on foreign operations**

The Group believes that the use of forecast market values excluding inflation best approximates residual value as required per IAS 16 Property, Plant and Equipment (refer to note 3). 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 2021 (and 31 March 2021) for consolidation purposes through "Translation adjustment on foreign operations".

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 14). The Company used the equity proceeds (see note 15) in addition to the finance agreements to finance the acquisition of the aircraft.

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

The Group's aircraft with carrying values of £1,242,165,257 (31 March 2021: £1,270,311,830) are pledged as security for the Group's borrowings (see note 14).

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.

Capital Commitments
The Group currently has no capital commitments as at period end.

Impairment
Refer to note 3 for consideration by the Group with respect to an impairment test for the period.

Change in estimate
The Group conducted a review on the aircraft held at 31 March 2021, which resulted in changes in the residual value of the aircraft at the end of the lease. The effect of these changes on depreciation are included in the 31 March 2021 reconciliation of accumulated depreciation and amortisation table above where the depreciation before and after the residual value adjustment is noted.

10. FINANCE INCOME

	1 April 2021 to 30 Sep 2021 GBP	1 April 2020 to 30 Sep 2020 GBP
Fair value gain on derivatives at fair value through profit and loss* (see note 16)	1,051,083	-
Bank interest received	105,889	268,220
	1,156,972	268,220

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

11. FINANCE COSTS

	1 April 2021 to 30 Sep 2021 GBP	1 April 2020 to 30 Sep 2020 GBP
Amortisation of debt arrangements costs	772,484*	848,499*
Interest payable on loan **	18,042,021*	22,500,349*
Security trustee and agency fees	95,782	103,583
Fair value loss on derivatives at fair value through profit and loss (see note 16)	-	1,495,898
	20,197,298	24,948,329

*Included in Finance costs is interest on the amortised cost liability for the period of £18,814,505 (30 September 2020: £23,348,848).
** This amount includes £1,017,914 interest paid (30 September 2020: £219,141 interest income) from the interest rate swaps.
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12. TRADE AND OTHER RECEIVABLES

	30 Sep 2021 GBP	31 Mar 2021 GBP
Prepayments	267,522	125,832
Vat receivable	-	6,800
	267,522	132,632
Trade receivables	64,211,100	40,718,920
Expected credit loss*	(50,328,819)	(28,021,519)
	13,882,281	12,697,401
	14,149,803	12,830,033

The above carrying value of receivables is deemed to be materially equivalent to fair value, given that, apart from the receivables from Thai Airways, the remaining trade receivables and receivables are short term in nature.

* As at 30 September 2021 the expected lifetime losses on the rent receivables has been reassessed by the Group. Despite the formal completion of new lease arrangements with Thai Airways on 15 December 2021, the Group has continued to fully impair amounts receivable under the previous lease arrangements due to the non-payment of lease rentals by Thai Airways. The Group recognised loss allowances for expected credit losses (see the Consolidated Statement of Comprehensive Income), equal to the lease rentals due under the previous arrangements. Management completed a high-level analysis which considers both historical and forward-looking qualitative and quantitative information, to assess the credit risk of the receivables from Thai Airways. The security deposits payable were utilised in full against the lease rentals due by Thai Airways at the 31 March 2021 year end, with the remaining rental amounts due recognised as receivable (discounted for the time value of money) at the period end in accordance with the Thai rehabilitation plan. The amounts receivable for prior periods were impaired in full in the Statement of Comprehensive Income as they were considered not recoverable. In all periods, the remaining trade receivables and receivables at amortised cost at period end are short-term (i.e. no longer than 12 months) and have been settled after period end, 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 17 (c).

13. SHORT TERM INVESTMENTS

	30 Sep 2021 GBP	31 Mar 2021 GBP
Short term investments	36,587,058	22,789,120
	36,587,058	22,789,120

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 19

14. BORROWINGS

	30 Sep 2021 GBP	31 Mar 2021 GBP
Borrowings		
Bank loans	1,019,313,583	1,044,682,529
Unamortised arrangement fees	(10,584,230)	(11,126,511)
	1,008,729,353	1,033,556,018
Consisting of:		
Senior loans ($1,087,128,313 at 30 September 2021, $1,152,560,258 at 31 March 2021)	806,834,136	836,218,717
Junior loans ($272,033,615 at 30 September 2021, $271,990,002 at 31 March 2021)	201,895,217	197,337,301
	1,008,729,353	1,033,556,018
Borrowings		
Non-current portion	931,272,014	936,474,385
Current portion (senior loans only)	77,457,339	97,081,633
	1,008,729,353	1,033,556,018

14. BORROWINGS (continued)

Due to the non-payment of lease rentals by Thai Airways, the Asset Manager arranged with the lenders with respect to the Thai aircraft that debt service for the Group can be limited to interest only on a three monthly basis. In the period July - August 2021 the loan agreements were amended for the Group's change in repayment schedules to the original loan agreements, as well as entry into interest rate cap agreements for three of the Thai aircraft and an interest rate swap with respect to one of the Thai aircraft (see note 16). Also refer to note 3 for Modification of borrowings.

Loans with an outstanding balance of £800,056,056 (31 March 2021: £743,558,620) have fixed interest rates over the term of the loans. Of this total, loans with an outstanding balance of £333,329,849 (31 March 2021: £362,258,686), although having variable rate interest, 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 £208,672,647 (31 March 2021: £289,997,398) at period end are variable rate (LIBOR) with an interest rate cap entered into during the current period (with no associated hedge of the interest exposure in the the 2021 financial year). The related lease rentals are also floating rate to match, and each senior loan has a balloon capital payment on maturity. The Group is monitoring the developments and effect and is in the process of considering the impact of the US Dollar LIBOR reform on the debt and derivatives. As this will be published until June 2023, there is no impact on the current period. Senior loans have both interest and capital repayments whereas junior loans only have interest repayments with the capital to be repaid 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. Interest rates are approximately 5%. The aggregate face value of the Company's loans is £1,479,887,190 and the current aggregate carrying value is £1,008,353 at the period end.

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.

15. 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 2021 Number of Ordinary Shares**	**31 March 2021 Number of Ordinary Shares**
Opening balance	434,141,757	642,250,000
Shares issued	-	5,975,000
Shares redeemed	-	(214,083,243)
Total number of shares as at period /year end	434,141,757	434,141,757

15. SHARE CAPITAL (continued)

Issued	**30 Sep 2021 Ordinary Shares GBP**	**31 March 2021 Ordinary Shares GBP**
Ordinary Shares		
Opening balance	558,929,084	655,585,000
Shares issued	-	1,822,376
Shares redeemed	-	(98,478,292)
Share issue costs-cumulative	(7,946,303)	(7,946,303)
Total share capital	550,982,781	550,982,781

The' Company's total issued Share capital as at 30 September 2021 was 434,141,757 Shares (31 March 2021: 434,141,757 Shares), none of which were held in treasury.

Therefore the total number of voting rights in issue was 434,141,757.

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

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.

16. 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) Trade and other receivables

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

16. FINANCIAL INSTRUMENTS (continued)

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

	30 Sep 2021	31 Mar 2021
	GBP	GBP
Financial assets		
Cash and cash equivalents	103,342,904	118,060,583
Short term investments	36,587,058	22,789,120
Derivatives at fair value through profit and loss	4,102,422	-
Trade receivables*	13,882,281	12,697,401
	157,914,665	153,547,104

*This amount represents rent due but not yet received and net of expected credit losses (see note 12) and is included within Receivables on the Statement of Financial Position.

	30 Sep 2021	31 Mar 2021
	GBP	GBP
Financial liabilities		
Payables and security deposits	142,261	121,026
Derivatives at fair value through profit and loss	4,232,111	4,939,122
Debt payable (excluding unamortised arrangement fees)	1,019,313,583	1,044,682,529
	1,023,687,955	1,049,742,677

Derivative financial instruments

The following table shows the Group's derivative position as at 30 September 2021 with a comparative table as at 31 March 2021:

Financial liabilities

	30 Sep 2021	31 March 2021
	GBP	GBP
Derivatives at fair value through profit and loss – USD Interest Rate Swaps	4,232,111	4,939,122
Notional amount (in GBP)	358,020,341	281,449,885

The maturity dates range from 13 April 2028 to 26 January 2036 (31 March 2021: 13 April 2028 to 21 August 2028). During the period the Group entered into an additional Interest Rate Swap with the lenders with respect to one of the Thai aircraft.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period ended 30 September 2021

16. FINANCIAL INSTRUMENTS (continued)

Derivative financial instruments (continued)

Financial assets

	30 Sep 2021	31 March 2021
	GBP	**GBP**
Derivatives at fair value through profit and loss – USD Interest Rate Caps	4,102,422	-
Notional amount (in GBP) – from 1 January 2023	211,484,873	-

As referred to in note 14 Borrowings, in respect of the other Thai aircraft the Group entered into interest rate cap agreements on 30 July 2021. The premium paid by the Group was £3,647,627 in total during the current period, with the effective date of the interest rate caps being 1 January 2023. The maturity dates range from 13 July 2029 to 22 September 2029.

The increase in the fair value of the Derivatives for the period of £1,051,083 (31 March 2021: increase of £7,844,744) is reflected in Finance Income and Finance Costs in note 10 and 11. The notional amount amortises in line with the underlying liability.

17. 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 2021.

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 14 and equity attributable to equity holders, comprising issued capital, foreign currency translation reserve and retained earnings.

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.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(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 matching of lease rentals to settle these loan repayments therefore mitigates risks caused by foreign exchange fluctuations.

The USD/GBP exchange rate was 1.3474 at 30 September 2021 (1.3783 at 31 March 2021).

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.

(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 2021 GBP	31 Mar 2021 GBP
Cash and cash equivalents	103,342,904	118,060,583
Short term investments	36,587,058	22,789,120
Derivatives at fair value through profit and loss	4,102,242	-
Trade receivables	64,211,100	40,718,920
Expected credit loss	(50,328,819)	(28,021,519)
	157,914,485	153,547,104

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 P-1, P-1, P-1, P-1 and P-2 (31 March 2021: P-1, P-1, P-1, P-1 and P-2) 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 2021: P-1 and P-1) respectively.

Short term investments relate to deposits held with Bank of Novia Scotia, UBS, Lloyds, Credit Suisse, Santander UK, Standard Chartered, HSBC, Cooperatieve Rabobank, BNP Paribas, Skandinaviska Enskilda, Barclays and Canadian Imperial which all have the same credit rating given by Moody's of P-1(31 March 2021: 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.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit Risk (continued)

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. This may lead to the inability of airlines to pay rent as they fall due.

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.

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. For the entities that have leases with Thai Airways, the company has arranged with the lenders an optimal solution that will facilitate servicing of the loan in line with the rent received under the lease amendment documentation. The solution will allow for the Company to address its expenses and its loan obligations with the income generated. Refer to note 14 for more detail.

The Group's most significant counterparties are Emirates and Thai Airways as lessees and providers of income. Both of the Group's lessees do not currently have a credit rating.

Refer to note 2 (i) Going Concern for further details on the current status of the Group's lessees and note 2 (k) for further details on the maintenance reserves.

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 2021 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 have been settled after period end, 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 total amount of credit impaired receivables is £54,875,741 (31 March 2021: £32,292,753) and is the balance of lease rentals due from Thai Airways.

(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.

Refer to note 2 (i) Going Concern as well as note 14 for further details on the current status of arrangements that are put in place with lenders.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Liquidity Risk (continued)

In addition to the bank loans, the Group may from time to time use borrowings. To this end the Group may arrange an overdraft facility for efficient cash management. The Directors intend to restrict borrowings other than the bank loans to an amount not exceeding 15 per cent. of the net asset value of the Group at the time of drawdown. Borrowing facilities will only be drawn down with the approval of the Directors on a case by case basis.

(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 £208,672,647 (31 March 2021: £289,997,398) as at period end entered into are variable rate, with an interest rate cap entered into during the current period (with no prior associated hedge of the interest exposure in the 2021 financial year), although the related rentals are also floating rate to match.

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 £333,329,849 (31 March 2021: £362,258,686) 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 2021 would have been £806,393 (31 March 2021: £2,527,456) greater/lower due to an increase/decrease in the amount of interest receivable on the bank balances and short term investments.

18. ULTIMATE CONTROLLING PARTY

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

19. CASH AND CASH EQUIVALENTS

	30 Sep 2021	**31 March 2021**
	GBP	**GBP**
Bank balances	103,342,904	118,060,583
	103,342,904	118,060,583

Below is a breakdown of the amounts included in cash and cash equivalents as well as short term deposits as at 30 September 2021.

	30 Sep 2021
	GBP
Etihad proceeds (Distributed to shareholders on 8 December 2021)	30,000,000
Reserved for debt service obligations	37,789,781
Maintenance provisions (Refer to note 20)	56,194,289
Operational cash (held pending resolution of Thai leases to ensure Going concern status)	15,945,893
	139,929,963

20. MAINTENANCE PROVISIONS

	30 Sep 2021 GBP	31 March 2021 GBP
Balance at 1 April	54,934,474	59,444,834
Increase for the period/year	-	1,520,757
Translation adjustment on foreign operations	1,259,815	(6,031,117)
Balance at period end	56,194,289	54,934,474

The maintenance reserve liabilities are held in relation to funds received 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 reserve will be repaid only as re-imbursements for actual maintenance expenses incurred by the lessee. The effect of discounting the provisions is not considered material. Refer to note 2(k) for accounting policies adopted on the maintenance reserves.

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 2021	-	72,991	35,093,624	10,083,664	10,944,010	56,194,289
31 March 2021	-	-	44,102,813	133,004	10,698,657	54,934,474

21. TAX

Irish tax is charged at 12.5% on each of the AA4P Leasing Ireland Limited and AA4P Leasing Ireland 2 Limited subsidiaries. The Company and the Guernsey Subsidiaries have been assessed for tax at the Guernsey standard rate of 0%. Since AA4P Leasing Ireland Limited and AA4P Leasing Ireland 2 Limited are Irish tax resident trading companies, they will not be subject to Guernsey tax, but their net lease rental income earned (after tax deductible expenditure) will be taxable as trading income at 12.5% under Irish tax regulations.

No deferred tax asset has been raised on the tax losses of AA4P Leasing Ireland 2 Limited in the current period.

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 have assessed the recoverability of accrued income and concluded no impairment is required. The accrued and deferred income consists of the following:

	30 Sep 2021	**31 March 2021**
	GBP	**GBP**
Accrued income	13,712,617	13,045,326
Deferred income	(30,300,755)	(31,791,945)

23. RELATED PARTY TRANSACTIONS AND SIGNIFICANT CONTRACTS

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

During the period, the Group incurred £1,387,356 (30 September 2020: £2,521,812) of fees with Amedeo, of which £ Nil (31 March 2021: £Nil) was outstanding to this related party at 30 September 2021. 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%.

23. RELATED PARTY TRANSACTIONS AND SIGNIFICANT CONTRACTS (continued)

Significant contracts

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 £5,782 (30 September 2020: £5,519) of fees with Amedeo Services. As at 30 September 2021 £Nil (31 March 2021: £Nil) was outstanding. This fee is included under "Asset management fee" in note 5.

JTC Fund Solutions (Guernsey) Limited is the Company's administrator. During the period the Group incurred £212,557 (30 September 2020: £238,034) of costs with JTC Fund Solutions (Guernsey) Limited, of which £50,242 (31 March 2021: £49,264) was outstanding as at 30 September 2021.

Related parties

The Board are considered to be key management personnel. 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 2021	Middle East GBP	Asia Pacific GBP	Total GBP
Rental income	72,225,246	23,208,716	95,433,962
Net book value – aircraft	895,271,920	346,893,337	1,242,165,257

30 Sep 2020	Middle East GBP	Asia Pacific GBP	Total GBP
Rental income	77,453,145	26,498,986	103,952,131
Net book value – aircraft at 31 March 2021	924,201,304	346,110,526	1,270,311,870

Revenue from the Group's country of domicile, Guernsey, was £Nil (2020: £Nil).

25. SUBSEQUENT EVENTS

On 16 December 2021 the Company announced that on 14 December 2021 the lease amendments were approved by the Thai Airways Plan Administrator. On 15 December 2021, the lease restructurings were executed. Under the terms of the restructured leases, Thai Airways pays rent on a power by the hour basis (“PBH”) until December 2022 and from January 2023 the leases will switch to fixed monthly payments. The Company also announced that it and its lenders had agreed new arrangements for debt service in line with the terms of the new lease terms in July 2021. Under the terms of the restructured debt, any surplus rent in excess of debt service, and agreed cost contribution to the Company, will be applied towards principal amortisation.

On 1 December 2021 the Company announced that it intends to return to Shareholders an aggregate amount of £30 million on 8 December 2021 (the "Redemption Date") for shareholders on the register of members as at close of business on 7 December 2021 ("Record Date"), by way of a partial compulsory redemption (the "Redemption") of the ordinary shares ("Shares") in the capital of the Company. Pursuant to the Redemption, the Company will redeem one Share for every five existing Shares of Shareholders on the register of members as at close of business on the Record Date, resulting in the redemption of 86,828,274 Shares in aggregate. Consequently, the Redemption was effected at 34.55 pence per Share. No fractions of Shares were redeemed and the number of Shares to be redeemed for each Shareholder was rounded down to the nearest whole number of Shares, as appropriate. All redemption proceeds were paid in pounds sterling using the existing mandate record held on file on or around 15 December 2021.

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

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 JTC Registrars Limited Ground Floor Dorey Court Admiral Park St Peter Port Guernsey GY1 2HT Telephone: +44 (0)1481 702 400	**UK Transfer Agent** JTC Registrars (UK) Limited The Scalpel 18th Floor 52 Lime Street London England EC3M 7AF

KEY ADVISERS AND CONTACT INFORMATION (Continued)

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
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
AIC	The Association of Investment Companies
AIC Code	The AIC Code of Corporate Governance
Articles	The Company's articles of incorporation
ASKs	Available seat kilometres
Asset Manager	Amedeo Limited
Asset(s)	Aircraft owned by the Group
ATAG	The Air Transport Group
Board	Board of directors of the Company
Company	Amedeo Air Four Plus Limited
Corporate Adviser	Liberum Capital Limited
DGTRs	The FCA's Disclosure Guidance and Transparency Rules
ESG	Environmental, social and governance
Etihad	Etihad Airways PJSC
FCA	Financial Conduct Authority
GFSC	Guernsey Financial Services Commission
Group	The Company and its wholly owned subsidiaries
IAS	International Accounting Standard
IATA	International Air Transport Association
IEV	Independent Expert Valuers
IFRS	International Financial Reporting Standards
ISTAT	International Society of Transport Aircraft Trading
Law	The Companies (Guernsey) Law, 2008, as amended
Registrar	JTC Registrars Limited
RPKs	Revenue passenger kilometres
Secretary	JTC Fund Solutions (Guernsey) Limited
SFS	Specialist Fund Segment of the London Stock Exchange's Main Market
Shares	Redeemable ordinary shares
SID	Senior Independent Director
Thai Airways	Thai Airways International Public Company Limited
UK Code	The UK Corporate Governance Code, 2018