

Aircastle (Ireland) Designated Activity Company

**Directors' report and financial statements
for the year ended 28 February 2025**

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
for the year ended 28 February 2025

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COMPANY INFORMATION

DIRECTORS	Sarah Clarkin Paul O'Callaghan
SECRETARY	Sarah Clarkin
REGISTERED OFFICE	20 Kildare Street Dublin 2.
REGISTERED NUMBER	513581
SOLICITOR	A & L Goodbody Solicitors 25/28 North Wall Quay I.F.S.C. Dublin 1.
BANKER	Citibank Europe plc, 1 North Wall Quay, Dublin 1.
AUDITOR	Ernst & Young Chartered Accountants Ernst & Young Building Harcourt Centre Harcourt Street Dublin 2.

DIRECTORS' REPORT

for the year ended 28 February 2025

The Directors present herewith their report and audited financial statements for Aircastle (Ireland) Designated Activity Company for the year ended 28 February 2025. The comparative financial statements were presented for the year ended 29 February 2024.

PRINCIPAL ACTIVITIES, RISKS AND UNCERTAINTIES

The principal activity of the Company is the leasing of aircraft to international airlines.

The principal risks are set out below.

Asset risk

Asset risk is the risk of deterioration in the underlying value of the aircraft. The Company bears the risk of re-leasing or selling aircraft in the portfolio that are subject to operating leases at the end of their lease terms. This risk is mitigated by the operational strategy of management. The Directors also look to mitigate this risk by collecting maintenance income and/or collecting security deposits/letters of credit where appropriate.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises primarily from the amounts due from holding and related companies. For other financial assets (including cash at bank and in hand), the Company aims to minimise credit risk by transacting with high credit rating counterparties.

Currency risk

The functional currency of the aviation industry is predominantly USD and the majority of our lease payments are denominated in USD. We incur expenses denominated primarily in USD and Euro, the latter of which largely comprises of personnel costs. Although we have not yet entered into foreign currency hedges, if our foreign currency exposure increases, we may enter into hedging transactions in the future to mitigate this risk. The Company's exposure to currency risk at 28 February 2025 is not significant (2024: not significant).

Interest rate risk

The Company manages its exposure to interest rate risk by having a fixed rate of interest on its financial liabilities. Due to a fixed rate on its financial liabilities, the Company is not exposed to interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by budgeting and ongoing monitoring of cash and other liquid assets.

Geopolitical and economic risk

The Company leases aircraft to airlines throughout the world exposing it to (i) many and varying economic, social, legal and geopolitical risks, (ii) instability in key markets and (iii) global health pandemics. The Directors continue to monitor sanctions, export controls and geopolitical developments and evaluate the potential impact of such items on the Company's future performance, position and growth potential.

Climate Change

There are inherent climate-related risks wherever the Company's business is conducted. Changes in market dynamics, stakeholder expectations, local, national and international climate change policies, all have the potential to disrupt business and operations. Various jurisdictions have announced sustainability initiatives that, among other things, aim to reduce carbon emissions, explore sustainable aviation fuels and establish sustainability measures and targets. Failure to address climate change

DIRECTORS' REPORT

for the year ended 28 February 2025

could result in greater exposure to economic and other risks and impact our ability to adhere to developing climate goals.

KEY PERFORMANCE INDICATORS

The principal key performance indicators used by management to monitor performance are as follows: (i) total revenues, (ii) operating profit from continuing operations, (iii) flight equipment held for lease, net, including acquisitions and disposals, and (iv) fleet utilization.

REVIEW OF RESULTS AND DEVELOPMENT OF THE BUSINESS

The profit and loss account for the year ended 28 February 2025 and the balance sheet at that date are set out on pages 13 and 14. The profit on ordinary activities for the year before taxation amounted to US\$30,926,000 (2024: US\$48,214,000). After recording a tax charge of US\$12,669,000 (2024: US\$8,205,000), a profit of US\$18,257,000 (2024: US\$40,009,000) is transferred to reserves. The Directors expect the Company to remain profitable in 2026.

As of 28 February 2025, wholly owned subsidiaries Koala Aircraft Leasing (Ireland) Designated Activity Company ("Koala"), Sulaco Aircraft Leasing (Ireland) Designated Activity Company ("Sulaco"), and Tempelhof Aircraft Leasing (Ireland) Designated Activity Company ("Tempelhof") merged into Aircastle (Ireland) Designated Activity Company adding a total of 19 aircraft, 1 engine and various parts (the "Mergers"). Koala, Sulaco, and Tempelhof were automatically dissolved without going into liquidation pursuant to the Companies Act of 2014 — see Note 2 MERGER ACTIVITY for additional information.

DIVIDENDS

The Directors of the Company do not recommend the payment of a dividend for the year (2024: US\$Nil).

GOING CONCERN

The Company's financial statements for the year ended 28 February 2025 have been prepared on a going concern basis. The Directors anticipate that the assets will continue to generate enough cash flow on an ongoing basis to meet the Company's liabilities as they fall due.

The Directors have considered the going concern basis of preparation of the financial statements. In making their assessment, the Directors have considered the ability of Aircastle Limited, the ultimate parent undertaking, and its subsidiaries (the "Group") and the Company to service its obligations from available cash flows. The Company has received a letter of support from the ultimate parent undertaking confirming that it will continue to support the Company for a period of at least twelve months from date of signing of these financial statements should such support be required. Given the financial support from the ultimate parent undertaking, the Directors are satisfied that the Company is adequately resourced to continue in existence for the foreseeable future and that a material uncertainty in relation to the Company's ability to continue as a going concern does not exist.

DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES

The Directors and secretary who served at the period-end are set out on page 1 of these financial statements. Neither the Directors, nor the secretary, who held office on 28 February 2025 and 29 February 2024 had interests in shares, or debentures of the Company or other group undertakings or date of appointment if later, requiring disclosure in the Directors' Report pursuant to Section 329 of the Companies Act 2014.

TRANSACTIONS WITH DIRECTORS AND OFFICERS

There were no contracts or any arrangements of any significance in relation to the business of the Company in which the Directors and officers had any interest, as defined by the Companies Act 2014, at any time during the year ended 28 February 2025 (2024: none).

DIRECTORS' REPORT

for the year ended 28 February 2025

ACCOUNTING RECORDS

The measures that the Directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, with regard to the keeping of accounting records, include the provision of appropriate resources to maintain adequate accounting records, including the appointment of personnel with appropriate qualifications, experience, and expertise.

The accounting records are maintained by the Company's manager at the premises of Aircastle Advisor LLC, 201 Tresser Boulevard, Suite 400, Stamford CT 06901, USA. Although the accounting records are kept at a place outside the state, such information and returns relating to the business dealt with in the accounting records as will (a) disclose with reasonable accuracy the assets, liabilities, financial position and profit or loss of that business at intervals not exceeding six months, and (b) enable to be prepared in accordance with Part 6 of the Act the Company's statutory financial statements required by Section 290 and the Directors' Report required by Section 325 are sent to and maintained at the Company's registered office.

DIRECTORS' COMPLIANCE STATEMENT

The Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations as defined in section 225 of the Companies Acts and hereby confirm that they have completed the following:

1. Drafted and reviewed a Compliance Policy Statement, setting out the Company's policies (that, in the Directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations.
2. Put in place appropriate arrangements and structures that are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations; and
3. Have conducted a review of the aforementioned arrangements and structures.

The Directors' note that the arrangements and structures, referred to in paragraph 2 above, are reviewed during the financial period. The Directors acknowledge that these reviews have taken place during the year ended 28 February 2025.

RELEVANT AUDIT INFORMATION

In the case of the persons who are Directors at the time this report is approved in accordance with section 332 of the Companies Act 2014:

- (a) So far as each Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- (b) Each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

IMPORTANT EVENTS SINCE THE YEAR END

On 17 July 2025, the Company, together with Aircastle Limited, issued US\$650,000,000 aggregate principal amount of 5.000% Senior Notes due 15 September 2030 at an issue price of 99.306% (the "2030 Notes").

On 17 July 2025, the Company repaid in full the US\$242,000,000 and US\$653,800,000 outstanding principal amounts of its Notes with Aircastle Limited that had final stated maturity dates of 27 February 2026 and 30 August 2026, respectively. The Notes were repaid using proceeds from the 2030 Notes together with an additional borrowing of USD\$555,000,000 under one of its intercompany loan agreements with Aircastle Limited (the "Intercompany Loan"). The Intercompany Loan bears interest at 5.11% per annum and has a maturity period of one year and can be extended for successive one year periods.

DIRECTORS' REPORT

for the year ended 28 February 2025

POLITICAL AND CHARITABLE DONATIONS

There were no political and charitable donations during the year (2024: US\$Nil).

AUDIT COMMITTEE

Pursuant to section 167(2) of the Companies Act 2014, given the oversight of the audit committee of Aircastle Limited, the Company's ultimate holding company, the Board of Directors has concluded that there is currently no need for the Company to have a separate audit committee in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish Company Law requires the Directors to prepare the financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework. Under Company Law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company at the financial period end date and of the profit or loss of the Company for the financial period and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

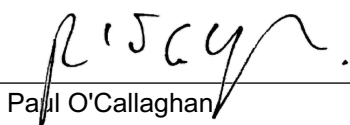
- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and the reasons for any material departure from those standards.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

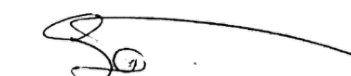
AUDITORS

Ernst & Young, Statutory Auditor, have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved and authorised for issue on 11 September 2025



Paul O'Callaghan



Sarah Clarkin



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRCASTLE (IRELAND) DESIGNATED ACTIVITY COMPANY

Report on the audit of financial statements

Opinion

We have audited the financial statements of Aircastle (Ireland) Designated Activity Company ('the Company') for the year ended 28 February 2025, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including material accounting policy information set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 28 February 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Company's financial close process, we confirmed our understanding of management's Going Concern assessment process and also engaged with management early to ensure all key factors were considered in their assessment.
- We assessed the cashflow forecast of Aircastle Limited (the "Ultimate Parent Undertaking") and its subsidiaries (collectively, the "Group") for a period of 12 months from the date of signing of the financial statements.
- We reviewed the sources of cash inflows available to the Group and the various scenario analysis performed by management.
- We have considered the assumptions included in the cashflow analysis prepared by management and the appropriateness of the methods used in the analysis. We determined through inspection and testing of the methodology and calculations that the methods utilised were appropriate.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRCASTLE (IRELAND) DESIGNATED ACTIVITY COMPANY

- We have considered whether the Company can rely on the letter of support from the Ultimate Parent Undertaking, which states that it will continue to support the Company for a period of at least twelve months from the date of signing these financial statements, by evaluating factors such as the cash flow of the parent company and the length of the guarantee.
- We reviewed the Company's going concern disclosures included in the financial statements in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Conclusion

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRCASTLE (IRELAND)
DESIGNATED ACTIVITY COMPANY**

Risk	Our response to the risk	Key observations communicated to the Board of Directors
<p>Impairment of Flight equipment held for lease</p> <p>The carrying value of Flight equipment held for lease represent the most significant asset in the financial statements of the Company. As at 28 February 2025, the Company has Flight equipment held for lease of \$4.6 billion (29 February 2024: \$3.2 billion) as detailed in Note 6 of the financial statements (page 31).</p> <p>As set out within Note 1(h) 'Impairment of flight equipment' (page 18) and Note 1(q) 'Estimates and judgements' (pages 23-24), management need to apply estimation and judgement as part of the assessment of impairment of flight equipment. For the purposes of measuring an impairment loss, each asset is tested individually by comparing its carrying amount to the higher of value in use or fair value less cost of disposal.</p> <p>We have determined the impairment of flight equipment represents a risk given the level of estimation uncertainty involved in key assumptions, such as the Weighted Average Cost of Capital ("WACC") utilised within the value in use calculation, and the potential for management override of controls to alter these assumptions within the impairment model.</p> <p>The nature and size of these balances and their importance to the Company are such that we have identified this as a key audit matter.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> • Obtained an understanding of the impairment process, performed a walkthrough of the process and evaluated the design effectiveness of controls related to the risk identified. • Obtained and validated management's impairment model and supports for external valuations used within the model, such as current market value ("CMV") and residual value. • Assessed if an aircraft may be impaired by comparing the carrying value of each aircraft to the estimated market value which is based on two third-party appraisers under Test 1. • Assessed the accuracy of factual inputs, such as lease income streams, downtime, transition cost and residual value and recalculated the net present value under Test 2. • Evaluated the timing and cost of estimated future maintenance cash flows based on manufacturers' specifications and/or historical data under Test 3. • Assessed the weighted average cost of capital used to discount the lease payment streams within the calculation and recalculated the discount rate. • Evaluated the competency and independence of the external appraisers as management experts for the external market appraisals provided. We obtained these external valuation reports to validate the market inputs to the impairment calculation. • Assessed the calculations underpinning the impairment models by checking that the data and the assumptions input into the model agreed with those that we had evaluated. • Tested the journal entries made for the recognition of impairment loss in the profit or loss. • Assessed the presentation and disclosures in the financial statements for compliance with the relevant accounting standards. 	<p>Our planned audit procedures were completed without any material exception.</p>



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRCASTLE (IRELAND) DESIGNATED ACTIVITY COMPANY

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

Materiality is the magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be \$61.4 million (2024: \$51.6 million), which is 1% (2024: 1%) of Total Assets. We believe that total assets provide us with most appropriate basis for materiality having considered the expectation of the users of the financial statements and the overall business environment.

Performance materiality

Performance materiality is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely \$46.0 million (2024: \$38.7 million). We have set performance materiality at this percentage based on our knowledge of the Company and industry, effectiveness of the control environment and our assessment of the risks associated with the engagement.

Reporting threshold

Reporting threshold is an amount below which identified misstatements are considered as being clearly trivial.

We agreed with the those charged with governance that we would report to them all uncorrected audit differences in excess of \$3.1 million (2024: \$2.6 million) which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

An overview of the scope of our audit report

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRCASTLE (IRELAND) DESIGNATED ACTIVITY COMPANY

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report is consistent with the financial statements; and
- the directors' report, other than those parts relating to sustainability reporting where required by Part 28 of the Companies Act 2014, has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions, are not complied with by the Company. We have nothing to report in this regard.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRCASTLE (IRELAND) DESIGNATED ACTIVITY COMPANY

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on pages 4 and 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud, that could reasonably be expected to have a material effect on the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. In addition, the further removed any non-compliance is from the events and transactions reflected in the financial statements, the less likely it is that our procedure will identify such non-compliance. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are Companies Act 2014 and the tax legislation governed by Irish Revenue.
- We understood how the Company is complying with those frameworks by understanding the Company's entity level controls relevant to compliance with laws and regulations. Furthermore, we performed inquiries with management, those charged with governance, and internal and external legal counsel. We inquired as to any known instances of non-compliance or suspected non-compliance with laws and regulations.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRCASTLE (IRELAND)
DESIGNATED ACTIVITY COMPANY**

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur.
- Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved:
 - Inquiry with management, those charged with governance and internal and external legal counsel; and
 - Inspection of correspondence, if any, with relevant licensing or regulatory authorities. During the year, we noted no such correspondence.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'John McCormack'.

**John McCormack
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm
Dublin**

Date: 12 September 2025

AIRCASTLE (IRELAND) DAC

PROFIT AND LOSS ACCOUNT for the year ended 28 February 2025

		Year ended 28 February 2025	Year ended 29 February 2024
	<i>Note</i>	US\$'000	US\$'000
Revenue	3	342,719	248,429
Other revenue	3	93,873	73,061
Total revenue		436,592	321,490
Impairment loss	6,9	(4,906)	(19,680)
Operating expenses	4	(232,357)	(191,784)
		(237,263)	(211,464)
Operating profit from continuing operations		199,329	110,026
Interest income		392	893
Interest expense	4	(168,795)	(129,182)
Dividend Income	19	—	66,477
Profit on ordinary activities before taxation		30,926	48,214
Tax on ordinary activities	5	(12,669)	(8,205)
Profit for the year after taxation		18,257	40,009

All profit and loss items relate to continuing operations of the Company.

The Company has no recognised gains and losses other than those included in the profit and loss account above and, therefore, no separate Statement of Other Comprehensive Income has been prepared.

The accompanying notes are an integral part of the financial statements.

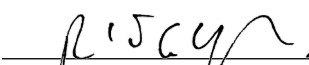
AIRCASTLE (IRELAND) DAC

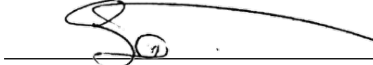
BALANCE SHEET

As of 28 February 2025

		28 February 2025	29 February 2024
	Note	US\$'000	US\$'000
NON-CURRENT ASSETS			
Flight equipment held for lease, net	6	4,594,714	3,198,069
Maintenance premiums	10	–	3,228
Tangible fixed assets		3,435	3,541
Financial fixed assets	7	74,914	199,000
		<u>4,673,063</u>	<u>3,403,838</u>
CURRENT ASSETS			
Cash at bank and in hand		23,170	21,447
Amounts due from fellow subsidiary and parent undertakings	11	1,361,691	1,259,664
Tax receivable		85	8
Trade and other receivables	8	26,497	27,104
Other assets	9	51,745	42,971
		<u>1,463,188</u>	<u>1,351,194</u>
CREDITORS (amount falling due within one year)			
Bank loan, net	13	–	220,567
Advanced lease rentals		33,949	11,361
Amounts due to fellow subsidiary and parent undertakings	11	2,018,841	3,050,152
Notes payable	14	895,800	–
Accrued liabilities		22,495	1,588
Other liabilities		46,266	31,569
Income tax payable		–	4
		<u>3,017,351</u>	<u>3,315,241</u>
NET CURRENT LIABILITIES			
		<u>(1,554,163)</u>	<u>(1,964,047)</u>
CREDITORS (amount falling due after one year)			
Bank loan, net	13	–	77,055
Notes payable	14	2,265,629	873,755
Maintenance reserves	12	368,417	205,271
Security deposits	12	56,664	27,077
Lease incentive liability		20,784	12,299
Deferred tax liability	5	48,705	13,917
		<u>2,760,199</u>	<u>1,209,374</u>
TOTAL ASSETS LESS TOTAL LIABILITIES			
		<u>358,701</u>	<u>230,417</u>
CAPITAL AND RESERVES			
Share capital	15	–	–
Share premium	15	1,000	1,000
Merger reserve	2	110,027	–
Capital contribution	16	415,557	415,557
Profit and loss account		(167,883)	(186,140)
Total shareholders' funds		<u>358,701</u>	<u>230,417</u>

Approved by the board and authorised for issue on: 11 September 2025


Paul O'Callaghan


Sarah Clarkin

AIRCASTLE (IRELAND) DAC

STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2025

	Note	Share capital US\$'000	Share premium US\$'000	Capital contribution US\$'000	Merger Reserve US\$'000	Profit & loss account US\$'000	Total US\$'000
As of 1 March 2024		–	1,000	415,557	—	(186,140)	230,417
Merger reserve	2			—	110,027		110,027
Profit for the year		–	–	–	—	18,257	18,257
As of 28 February 2025		–	1,000	415,557	110,027	(167,883)	358,701

	Note	Share capital US\$'000	Share premium US\$'000	Capital contribution US\$'000	Profit & loss account US\$'000	Total US\$'000
As of 1 March 2023		–	1,000	214,642	(226,149)	(10,507)
Capital contribution received	16	–	–	200,915	–	200,915
Profit for the year		–	–	–	40,009	40,009
As of 29 February 2024		–	1,000	415,557	(186,140)	230,417

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025

1. ACCOUNTING POLICIES

Aircastle (Ireland) DAC, (the “Company” or “AIDAC”) is a limited liability company incorporated on 24 May 2012. The financial statements are separate financial statements. The Company is exempt from obligation to prepare group financial statements in accordance with section 300 of Companies Act 2014. The smallest and largest group into which the results of the Company are consolidated is the group financial statements of Aircastle Limited. The Company’s ultimate parent, Aircastle Limited, prepares consolidated group financial statements which are publicly available from Aircastle Advisor LLC, 201 Tresser Boulevard, Suite 400, Stamford, CT 06901, USA. Refer to Note 7 on details of subsidiary undertakings.

The following accounting policies have been applied consistently to the period presented, unless otherwise stated.

(a) Statement of compliance and basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standards 101 Reduced Disclosures Framework (“FRS 101”) and applicable accounting standards at 28 February 2025. The financial statements also comply with the requirements of Irish Company Law applicable to FRS 101 reporters.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 28 February 2025 and the comparative year ended 29 February 2024.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- i. The requirements in paragraphs 10(d) and 111 of IAS 1 Presentation of Financial Statements to present a statement of cash flows, paragraphs 134-136 Capital Management disclosures;
- ii. The requirement of IAS 7; Statement of Cash Flow;
- iii. The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and to disclose new and amended standards issued, but not yet effective;
- iv. The requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- v. The requirements of paragraph 18a of IAS 24 Related Party Disclosures;
- vi. The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- vii. The requirement of IFRS 7 Financial Instruments;
- viii. The requirement of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement; and
- ix. The requirements of paragraphs 88C and 88D of IAS 12 Income Taxes, provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (Continued)

(b) New accounting standards adopted

The adoption of the below standards did not have any material effect on the financial performance or position of the Company. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Description	Effective date (period beginning)
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	1 January 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024

(c) Going concern

The Company's financial statements for the year ended 28 February 2025 have been prepared on a going concern basis. The Directors anticipate that the assets will continue to generate enough cash flow on an ongoing basis to meet the Company's liabilities as they become due.

The Directors have considered the going concern basis of preparation of the financial statements. In making their assessment, the Directors have considered the ability of Aircastle Limited, the ultimate parent undertaking, and its subsidiaries (the "Group") and the Company to service its obligations from available cash flows. The ultimate parent undertaking has access to sufficient liquidity should the Company require funding. The Company has received a letter of support from the ultimate parent undertaking confirming that it will continue to support the Company for a period of at least twelve months from date of signing of these financial statements should such support be required. Given the financial support from the ultimate parent undertaking, the Directors are satisfied that the Company is adequately resourced to continue in existence for the foreseeable future and that a material uncertainty in relation to the Company's ability to continue as a going concern does not exist.

(d) Reporting currency

The financial statements are expressed in thousands of US dollars (US\$'000).

(e) Foreign currencies

Transactions during the period denominated in foreign currencies have been translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to US dollars at the rates of exchange ruling at the balance sheet date. The resulting profits or losses are dealt within the profit and loss account.

(f) Flight equipment held for lease

Flight equipment held for lease is stated at cost when acquired from third parties or at net carrying value transferred from its affiliate. Depreciation is computed using the straight-line method over a 25-year life from the date of manufacture for passenger aircraft, to estimated residual values. Estimated residual values are generally determined to be approximately 15% of the manufacturer's estimated realised price for passenger aircraft when new. Management may make exceptions to this policy on a case-by-case basis when, in its judgement, the residual value calculated pursuant to this policy does not appear to reflect current expectations of residual values.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (continued)

Examples of situations where exceptions may arise include, but are not limited to:

- Flight equipment where estimates of the manufacturer's realised sales prices are not relevant (e.g., freighter conversions);
- Flight equipment where estimates of the manufacturer's realised sales prices are not readily available (e.g., older flight equipment); and
- Flight equipment which may have a shorter useful life due to obsolescence.

Major improvements and modifications incurred in connection with the acquisition of aircraft that are required to get the aircraft ready for initial service are capitalised and depreciated over the remaining life of the flight equipment.

For planned major maintenance activities for aircraft off lease, the Company capitalises the actual maintenance costs by applying the deferral method. Under the deferral method, the Company capitalises the actual cost of major maintenance events, which are depreciated on a straight-line basis over the period until the next maintenance event is required.

In accounting for flight equipment held for lease, the Company makes estimates about the expected useful lives, the fair value of attached leases, acquired maintenance liabilities and the estimated residual values. In estimating these factors, the Company relies upon actual industry experience with the same or similar aircraft types and the Company's lessees anticipated utilisation of the aircraft.

When the Company acquires an aircraft with a lease, determining the fair value of attached leases requires the Company to make assumptions regarding the current fair values of leases for specific aircraft. The Company estimates a range of current lease rates of like aircraft in order to determine if the attached lease is within a fair value range.

If a lease is below or above the range of current lease rates, the Company present values the estimated amount below or above the fair value range over the remaining term of the lease. The resulting lease discount or premium is amortised into lease rental income over the remaining term of the lease.

(g) Flight equipment held for sale

Flight equipment classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Flight equipment is classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition.

(h) Impairment of flight equipment

The Company performs a recoverability assessment of all aircraft in the Company's fleet, on an aircraft-by-aircraft basis, at least annually. In addition, a recoverability assessment is performed whenever events or changes in circumstances, or indicators, indicate that the carrying amount or net book value of an asset may not be recoverable.

Indicators may include, but are not limited to, a significant lease restructuring or early lease termination, significant air traffic decline, the introduction of newer technology aircraft or engines, an aircraft type is no longer in production or a significant airworthiness directive is issued. When the Company performs a recoverability assessment, the Company measures whether the estimated future discounted net cash flows expected to be generated by the aircraft exceed its net book value. The discounted cash flows consist of cash flows from currently contracted leases, future projected lease rates, transition costs, estimated down time and estimated residual or scrap values for an

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (Continued)

aircraft. In the event that an aircraft does not meet the recoverability test, the aircraft will be adjusted to the higher of value in use or fair value less cost to sell resulting in an impairment charge. The value in use is determined by calculating the estimated future cash flows expected to be generated by the asset discounted to their present value using weighted average cost of capital rate.

Management develops the assumptions used in the recoverability analysis based on its knowledge of active lease contracts, current and future expectations of the global demand for a particular aircraft type and historical experience in the aircraft leasing market and aviation industry, as well as information received from third party industry sources. The factors considered in estimating the discounted cash flows are impacted by changes in future years due to changes in contracted lease rates, residual values, economic conditions, technology, airline demand for a particular aircraft type and other factors.

In monitoring the aircraft in the Company's fleet for impairment charges, the Company identifies those aircraft that are most susceptible to failing the recoverability assessment and monitor those aircraft more closely, which may result in more frequent recoverability assessments. The recoverability in the value of these aircraft is more sensitive to changes in contractual cash flows, future cash flow estimates and residual values or scrap values for each aircraft. These are typically older aircraft for which lessee demand is declining.

(i) Maintenance premiums

Occasionally, the Company acquires aircraft with a lease and a lease back arrangement. If the fair value of the lease is higher than the consideration paid, it results in maintenance premiums. Maintenance premiums are not amortized and will be offset against future gains resulting from the sale of aircraft.

(j) Lease incentives

Many of the Company's leases contain provisions which may require the Company to pay a portion of the lessee's costs for heavy maintenance, overhaul or replacement of certain high-value components. The Company accounts for these expected payments as lease incentives, which are amortised as a reduction of revenue over the life of the lease. The Company estimates the amount of its portion for such costs, typically for the first major maintenance event for the airframe, engines, landing gear and auxiliary power units, expected to be paid to the lessee based on assumed utilisation of the related aircraft by the lessee, the anticipated amount of the maintenance event cost and the estimated amounts the lessee is responsible to pay.

This estimated lease incentive is not recognised as a lease incentive liability at the inception of the lease. The Company recognises the lease incentive as a reduction of lease revenue on a straight-line basis over the life of the lease, with the offset being recorded as a lease incentive liability. The payment to the lessee for the lease incentive liability is first recorded against the lease incentive liability and any excess above the lease incentive liability is recorded as a lease incentive asset on the balance sheet and continues to amortise over the remaining life of the lease.

Lease acquisition costs related to reconfiguration of the aircraft cabin, other lessee specific modifications and other direct costs are capitalised and amortised into revenue over the initial life of the lease, assuming no lease renewals, and are included in other assets.

(k) Taxation

The Company is subject to taxation on profits at the standard rate of Irish Corporation Tax, which is 12.5% for the year ended 28 February 2025.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (continued)

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at the balance sheet date that result in an obligation to pay more tax or a right to pay less tax in the future. Temporary differences are differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted. Deferred tax is measured at the tax rates that are expected to apply in the years in which the temporary differences are expected to reverse based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

The Company's policy is that it recognises interest and penalties accrued on any unrecognised tax benefits as a component of income tax expense. As of the date of commencement of operations, the Company did not have any accrued interest or penalties associated with any unrecognised tax benefits, nor was any interest expense or penalty recognised during the period.

Deferred tax assets and deferred tax liabilities as of 28 February 2025 have been presented on a net basis on the balance sheet – refer to Note 5 for details regarding the significant components of deferred tax assets and deferred tax liabilities.

(l) Financial fixed assets

The Company holds equity interests in six wholly-owned subsidiaries and one joint venture. The Company has a 25% interest in a joint venture and accounts for its investment using the equity method. Share of result of the joint venture is presented net of tax.

Pursuant to IAS 27 the Company states its investments in subsidiary undertakings and joint venture at cost less any provision for impairment. The Directors review this valuation on an annual basis for indicators of impairment.

(m) Financial instruments

The Company's financial instruments, other than cash, consist principally of amounts due from/to fellow subsidiary and parent undertakings, security deposits, maintenance reserves, bank loans, notes payable, trade and other receivables, other assets, and accrued liabilities.

(i) Financial assets

Initial recognition and subsequent measurement

Financial assets that are measured at amortised cost are initially recognised at fair value and subsequently measured at amortised cost. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. See below for additional discussion with respect to the initial recognition and subsequent measurement of the Company's financial assets.

Derecognition

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired; or

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (Continued)

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company would be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages.

- For credit loss exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next twelve-months (a twelve-month ECL).
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, notes receivables and amounts due from fellow subsidiary and parent undertakings if any, the Company has applied the standard's general approach and the loss allowance is calculated based on twelve-month ECLs. The loss allowance is recognised in profit or loss and reduces carrying amount of the financial asset.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off for these reasons when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (continued)

(ii) Financial liabilities

Initial recognition and subsequent measurement

The Company's financial liabilities are all categorised as financial liabilities measured at amortised cost. See below for additional discussion with respect to the initial recognition and subsequent measurement of the Company's financial liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an

exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit and loss account.

Cash at bank and in hand

Cash comprise of cash at bank, on hand, demand deposits and all highly liquid investments with maturities of three months or less are considered cash.

Trade and other receivables, and other assets

Trade and other receivables, and other assets are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost.

Security deposits

Certain of the Company's operating leases require the lessee to pay the Company a security deposit or provide a letter of credit. At 28 February 2025 and 29 February 2024, security deposits represent cash received from the lessee that is held on deposit until lease expiration. The Company's operating leases also obligate the lessees to maintain flight equipment and comply with all governmental requirements applicable to the flight equipment, including, without limitation, operational, maintenance, registration requirements and airworthiness directives.

Maintenance reserves

Typically, under an operating lease, the lessee is responsible for performing all maintenance but might be required to make deposit payments to the Company for heavy maintenance, overhaul or replacement of certain high-value components of the aircraft. These maintenance payments are based on hours or cycles of utilisation or on calendar time, depending upon the component, and are required to be made monthly in arrears or at the end of the lease term.

Whether to permit a lessee to make maintenance payments at the end of the lease term, rather than requiring such payments to be made monthly, depends on a variety of factors, including the creditworthiness of the lessee, the level of security deposit which may be provided by the lessee and market conditions at the time the Company enters into the lease.

If a lessee is making monthly maintenance payments, the Company would typically be obligated to reimburse the lessee for costs they incurred for heavy maintenance, overhaul or replacement of certain high-value components to the extent of maintenance payments received in respect of the specific maintenance event, usually shortly following completion of the relevant work.

The Company records maintenance payments paid by the lessee as accrued maintenance payments liabilities in recognition of its contractual commitment to refund such receipts. In these contracts, the Company does not recognise such maintenance payments as maintenance revenue during the lease.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (continued)

Reimbursements to the lessee upon the receipt of evidence of qualifying maintenance work are charged against the existing accrued maintenance payments liability. The Company defers maintenance revenue recognition of most monthly maintenance payments until it is able to determine the amount, if any, by which the monthly maintenance payments received from a lessee exceed costs to be incurred by that lessee in performing heavy maintenance, which generally occurs at or near the end of a lease. End of lease term maintenance payments made to us are recognized as maintenance revenue and end of lease term maintenance payment we make to a lessee are recorded as contra maintenance revenue.

Amounts due from/to fellow subsidiary and parent undertakings

Amounts due from/to fellow subsidiary and parent undertaking are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost.

Notes payable/Bank loans

Notes payable/bank loans are recognised when the Company becomes a party to contractual provisions of the loan agreement.

Notes payable/bank loans are initially measured at fair value and subsequently recorded at amortised cost.

Interest expense on the debt is expensed using the effective interest rate method.

Debt issuance costs are costs associated with acquiring the bank loan, which is amortised over the life of the loan.

Accrued liabilities

Accrued liabilities are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost.

(n) Revenue

Revenue comprising of rentals from operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Operating income arising from lease arrangements where payments are dependent on variable factors is recognised as payment falls due.

(o) Operating expenses

The operating expenses of the Company are recognised in the financial statements on an accrual basis.

(p) Lease classification

Leases are accounted for and classified in accordance with IFRS 16 Leases, Leases where the Company, as lessor, retains substantially all the risks and rewards of ownership are classified as operating leases.

(q) Estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

1. MATERIAL ACCOUNTING POLICIES (continued)

Underlying assumptions are reviewed on an ongoing basis. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Flight equipment held for lease – key assumptions around recoverable values, estimated useful life and residual values. (Refer to Note 6, FLIGHT EQUIPMENT HELD FOR LEASE, NET for additional information)
- Financial fixed assets – key assumptions around the recoverability of our investment in subsidiary entities. (Refer to Note 7, FINANCIAL FIXED ASSETS for additional information)
- Impairment of intercompany receivables – critical judgement includes estimation of probability of default and loss given default rates. The Company uses Aircastle Limited's credit risk rating as a proxy for intercompany receivables, adjusted for forward-looking factors such as probability of default which are specific to the debtors and the economic environment.
- Impairment of financial assets - The Company follows the guidance of IFRS 9 Financial Instruments in determining when a financial asset is impaired, and this requires judgement on the correlation between historical observed default rates and ECLs. The Company's methodology for calculating ECLs is set out in Note 1 (i). The carrying amount of financial assets at the end of the reporting period is disclosed in Notes 8 and 11.

2. MERGER ACTIVITY

As of 28 February 2025, wholly owned subsidiaries Koala Aircraft Leasing (Ireland) Designated Activity Company ("Koala"), Sulaco Aircraft Leasing (Ireland) Designated Activity Company ("Sulaco"), and Tempelhof Aircraft Leasing (Ireland) Designated Activity Company ("Tempelhof" and, together with Koala and Sulaco, the "Merging Companies") merged into AIDAC ("Surviving Entity") adding a total of 19 aircraft, 1 engine and various parts (the "Mergers"). Outside of aircraft, engines and parts, other net assets from the Merging Companies, as shown below, were merged into the Surviving Entity.

Koala, Tempelhof, and Sulaco merged with AIDAC by way of legal merger by absorption and thereupon the Merged Companies were automatically dissolved without going into liquidation pursuant to the Companies Act of 2014. AIDAC's investment in each of the Merged Companies was previously measured at cost. The Company has elected to account for the Mergers as redemptions of the shares in the subsidiaries, in exchange for the underlying net assets of the subsidiaries. Accordingly, AIDAC has recognized the acquired assets and assumed liabilities at the carrying amounts as at the date of the Mergers. Furthermore, in applying the exchange of investment for net assets approach, the Company's policy is to account for any difference between the carrying amount of the investment in the Merged Companies and the carrying amount of net assets directly into equity as Merger Reserve — refer to STATEMENT OF CHANGES IN EQUITY.

NOTES TO THE FINANCIAL STATEMENTS
28 February 2025 (Continued)

2. MERGER ACTIVITY (continued)

		Total amount merged into AIDAC 2025 US\$'000
	<i>Note</i>	
NON-CURRENT ASSETS		
Flight equipment held for lease, net	6	447,149
CURRENT ASSETS		
Cash at bank and in hand		5,269
Amounts due from fellow subsidiary and parent undertakings	11	1,187,181
Lease incentive		2,675
Tax receivable		5
Trade and other receivables	8	1,741
Other assets	9	15,542
Total current assets		1,212,413
CREDITORS (amount falling due within one year)		
Advanced lease rentals		5,771
Amounts due to fellow subsidiary and parent undertakings	11	882,313
Accrued liabilities		186
Other liabilities		2,574
CREDITORS (amount falling due after one year)		
Maintenance reserves	12	88,097
Notes payable	14	406,245
Security deposits	12	16,074
Lease incentive liability		2,777
Deferred tax liability	5	21,394
Total net assets		234,131
Reduction of investment in subsidiaries		(124,104)
Merger reserve		<u>110,027</u>

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

3. REVENUE

Revenue

Revenue represents lease rental income received in respect of aircraft leased out by the Company during the year which is recognised on a straight-line basis. Maintenance revenue during the year was primarily attributable to the recognition of aircraft maintenance reserves into income as a result of early lease terminations and scheduled lease expirations.

	Year ended 28 February 2025 US\$'000	Year ended 29 February 2024 US\$'000
Lease rental revenue	334,650	245,499
Lease premium, discount and incentive amortisation	(12,510)	(8,978)
Maintenance revenue	20,579	11,908
Total revenue	342,719	248,429

The analysis of lease rental revenue by geographical area is as follows:

Region:	Year ended 28 February 2025 %	Year ended 29 February 2024 %
Europe	40	35
North America	17	22
South America	4	4
Asia	34	39
Middle East	5	—
Total	100	100

Revenue arise from the leasing of aircraft to third party airlines in geographical areas listed above.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

Other Revenue

The following table shows the components of other revenue:

	Year ended 28 February 2025	Year ended 29 February 2024
Other revenue type:	US\$'000	US\$'000
Gains on Sales or Disposition of Aircraft	41,554	6,449
Settlement claims	32,670	43,200
Service fee	12,155	22,971
Other	7,494	441
Total other revenue	93,873	73,061

Other revenue included gains on the sales or disposition of aircraft and other flight equipment totalling US\$41,554,000 (2024: US\$6,449,000).

The Company also received cash proceeds of US\$32,670,000 (2024: US\$43,200,000) in settlement of the Company's claims against certain of the insurers under its contingent and possessed insurance policies ("C&P Policies") related to aircraft leased to Russian airlines that were unrecoverable following Russia's invasion of Ukraine in February 2022. The settlement proceeds were recorded as a component of other revenue for the year ended 28 February 2025. The receipt of the insurance proceeds serve to mitigate in part, the Company's losses under its aviation insurance policies. We remain in settlement discussions with some of the remaining insurers under our C&P Policies. However, the collection, timing and amount of any future recoveries, including those related to insurance litigation, remain uncertain. Accordingly, at this time, the Company can give no assurance as to when or what amounts it may ultimately collect with respect to these matters.

In addition to the above, other revenue also includes service fee revenue of US\$12,155,000 (2024: US\$22,971,000), which relates to services provided by the Company to affiliate entities.

The Company had contracted to receive the following minimum cash rentals under non-cancellable operating leases:

	Year ended 28 February 2025	Year ended 29 February 2024
<u>Operating lease revenue:</u>	US\$'000	US\$'000
Due in year 1	446,185	288,702
Due in year 2	390,227	227,969
Due in year 3	317,395	199,419
Due in year 4	255,993	171,844
Due in year 5	202,343	138,420
Due after five years	416,182	325,151
Total	2,028,325	1,351,505

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

4. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit and loss on ordinary activities before taxation, all of which arises from continuing operations, is stated after charging:

	Year ended 28 February 2025 US\$'000	Year ended 29 February 2024 US\$'000
Auditor remuneration:		
Audit of individual accounts	105	157
Tax advisory services	105	68
Total auditor remunerations	210	225
Depreciation	169,321	139,950
Salaries	5,615	5,549
Pensions	690	607
Pay-related social insurance	1,001	872
Other compensation expenses	5,891	4,843
Other operating expenses	49,629	39,738
Total	232,357	191,784

The Company had an average of 30 employees (2024: 29 employees), and no remunerations were paid to the Directors in their capacity as Directors during the year (2024: US\$Nil). Included in the tax advisory services was US\$105,000 (2024: US\$68,000) which was paid to the statutory auditor. There were no other assurance or non-audit services provided by the statutory auditor. For additional information on the impairment of aircraft, refer to Note 6.

The following table shows the component of interest:

		Year ended 28 February 2025 US\$'000	Year ended 29 February 2024 US\$'000
Debt obligation:	Note		
Bank loan	13	6,994	12,262
Notes payable	14	91,425	—
Intercompany and other	11	70,376	116,920
Total interest expense		168,795	129,182

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

5. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

(a) Analysis of profit and loss account charge/(benefit):

	Year ended 28 February 2025 US\$'000	Year ended 29 February 2024 US\$'000
Current Irish tax charge for the year	6	14
Total current tax charge for the year	6	14
Deferred Irish tax charge for the year	12,663	8,191
Total deferred tax charge for the year	12,663	8,191
Total tax charge for the year	12,669	8,205

(b) Reconciliation of the expected tax charge/(benefit) at the standard tax rate to the actual tax charge at the effective rate

The tax assessed for the year is higher than (2024: higher than) the standard rate of corporation tax in the Republic of Ireland 12.5% (2024: 12.5%) as disclosed below:

	Year ended 28 February 2025 US\$'000	Year ended 29 February 2024 US\$'000
Profit on ordinary activities before tax	30,926	48,214
Profit on ordinary activities multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5% (2024: 12.5%)	3,866	6,027
Effects of:		
Higher tax rates on passive income	2	—
Excess capital allowances over depreciation	(41,490)	(38,229)
Losses carried forward	28,213	29,395
Impairment of aircraft	613	2,460
Interest related to debt push down	8,797	8,653
Dividends from Subsidiaries	—	(8,310)
Foreign exchange and other	5	18
Current Irish tax charge for the year	6	14
Deferred Irish tax charge for the year	12,663	8,191
Total tax charge for the year	12,669	8,205

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

5. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (Continued)

(c) Deferred taxation

Significant components of the Company's deferred tax assets and liabilities consist of the following:

	Net operating		
	loss carry	Other	Total
	US\$'000	US\$'000	US\$'000
Deferred tax assets as of 28 February 2025:			
At beginning of year	114,645	391	115,036
Credited to profit and loss account	28,213	—	28,213
Merged companies deferred tax assets	23,471	—	23,471
Group relief surrender of losses (p/y)	(728)	—	(728)
At end of year	<u>165,601</u>	<u>391</u>	<u>165,992</u>
Deferred tax assets as of 29 February 2024:			
At beginning of year	86,009	391	86,400
Credited to profit and loss account	29,395	—	29,395
Prior year adjustment	(143)	—	(143)
Group relief surrender of losses (p/y)	(616)	—	(616)
At end of year	<u>114,645</u>	<u>391</u>	<u>115,036</u>
	Accelerated	Other	Total
	depreciation	US\$'000	US\$'000
	US\$'000		
Deferred tax liabilities as of 28 February 2025:			
At beginning of year	128,953	—	128,953
Credited to profit and loss account	40,877	—	40,877
Merged companies deferred tax liabilities	44,867	—	44,867
At end of year	<u>214,697</u>	<u>—</u>	<u>214,697</u>
Deferred tax liabilities as of 29 February 2024:			
At beginning of year	91,509	—	91,509
Credited to profit and loss account	37,507	—	37,507
Prior year adjustment	(63)	—	(63)
At end of year	<u>128,953</u>	<u>—</u>	<u>128,953</u>
Net deferred tax liabilities as of 28 February 2025	49,096	(391)	48,705
Net deferred tax liabilities as of 29 February 2024	14,308	(391)	13,917

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

5. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (Continued)

The Company has net operating loss carry forwards of approximately US\$1,324,802,000 (2024: US\$916,090,000) with no expiration date to offset future Irish taxable income.

(d) Factors affecting future tax charges/(benefits)

From 1 March 2025, the corporation tax rate in Ireland is expected to remain at its current rate of 12.5%.

6. FLIGHT EQUIPMENT HELD FOR LEASE, NET

The Company has adopted the cost model and states its tangible fixed assets at cost, less accumulated depreciation and any accumulated impairment losses.

	28 February 2025 US\$'000	29 February 2024 US\$'000
Flight Equipment Held for Lease, Net		
Cost:		
Balance at beginning of year	3,574,023	2,873,871
Additions	1,298,638	896,470
Disposals	(229,061)	(196,318)
Transfer from merger entities	666,448	—
Balance at end of year	5,310,048	3,574,023
Accumulated depreciation:		
Balance at beginning of year	276,450	221,012
Current year depreciation	169,321	139,722
Disposals	(51,426)	(84,284)
Transfer from merger entities	213,704	—
Balance at end of year	608,049	276,450
Accumulated impairment:		
Balance at beginning of year	99,504	80,905
Current year impairment	2,225	18,599
Transfer from merger entities	5,556	—
Balance at end of year	107,285	99,504
Net book value:		
Balance at end of year	4,594,714	3,198,069

During the year, the Company acquired 40 aircraft (2024: 20 aircraft), excluding aircraft and engines acquired from affiliate entities, and disposed of 9 aircraft (2024: 7 aircraft) and other flight equipment, resulting in a gain on sale of US\$41,554,000 (2024: US\$6,449,000). Additionally, the Company acquired an additional 19 aircraft and 1 engine from merged entities (2024: none). Refer to Note 2. MERGER ACTIVITY for more information about merged entities.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

6. FLIGHT EQUIPMENT HELD FOR LEASE, NET (continued)

At each reporting date, the aircraft are assessed for triggering events to determine if there is an indication of impairment. Additional customer and aircraft specific recoverability assessments are also performed during the year whenever indicators suggest the carrying amount of an asset may not be recoverable. An impairment loss is recorded to the extent the carrying amount of an asset exceeds the recoverable amount, which is the value-in-use. The value-in-use is determined considering future cash proceeds from leasing and selling aircraft discounted using the Company's weighted average cost of capital. During the year, impairment charges for one aircraft (2024: 3 aircraft and 2 engines) were recorded totalling US\$2,225,000 (2024: US\$18,599,000).

7. FINANCIAL FIXED ASSETS

The Company states its investment in subsidiary undertakings and investment in joint venture using the cost method.

	28 February 2025 US\$'000	29 February 2024 US\$'000
<u>Investment in subsidiary undertakings</u>		
Cost at beginning of the year	191,457	191,457
Merger of subsidiary undertakings	(124,104)	
Impairment of investment in subsidiary	—	—
	<u>67,353</u>	<u>191,457</u>
<u>Investment in joint venture:</u>		
Cost at beginning of the year	7,543	7,672
Share in net profit (loss) from investment in joint venture	18	(129)
	<u>7,561</u>	<u>7,543</u>
Total investment in subsidiary undertakings and joint venture at end of year	<u><u>74,914</u></u>	<u><u>199,000</u></u>

As of 28 February 2025, the Company had the following joint venture investments:

<i>Joint Venture name</i>	<i>Country of incorporation</i>	<i>Details of investments</i>	<i>Proportion held by company</i>	<i>Principal activity</i>
IBJ Air Leasing (US) Corp.	Delaware	25 ordinary shares of \$1	25%	Aircraft leasing

NOTES TO THE FINANCIAL STATEMENTS
28 February 2025 (Continued)
7. FINANCIAL FIXED ASSETS (Continued)

As of 28 February 2025, the Company had the following subsidiary undertakings:

<i>Subsidiary name</i>	<i>Country of incorporation</i>	<i>Details of investments</i>	<i>Proportion held by company</i>	<i>Principal activity</i>
Dunvegan Aircraft Leasing (Ireland) Limited*	Republic of Ireland	1 ordinary share of €1	100%	Aircraft leasing
Kale Aircraft Leasing (Ireland) Limited	Republic of Ireland	1 ordinary share of €1	100%	Aircraft leasing
Salmon Aircraft Leasing (Ireland) Limited	Republic of Ireland	1 ordinary share of €1	100%	Aircraft leasing
Constitution Aircraft Leasing (Ireland) 1086 Limited*	Republic of Ireland	1 ordinary share of €1	100%	Aircraft leasing
Platypus Aircraft Leasing (Ireland) Limited*	Republic of Ireland	1 ordinary share of €1	100%	Aircraft leasing
Aircastle Funding (Ireland) Designated Activity Company	Republic of Ireland	100 ordinary shares of €1	100%	Financing

*Entered into liquidation post year-end.

As of 28 February 2025, the Company merged the wholly-owned subsidiaries of Koala, Sulaco, and Tempelhof into AIDAC. Refer to Note 2. MERGER ACTIVITY for additional information.

The registered office of all the above companies is 20 Kildare Street, Dublin 2.

The Company assesses at each reporting date whether there is an indication that a financial fixed asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. When the carrying amount of the financial fixed assets exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. No impairment charges (2024: US\$Nil) were recorded during the year in respect of the Company's financial fixed assets, as in the opinion of the Directors the fair value of the financial fixed assets is at least the carrying value at 28 February 2025 and 29 February 2024.

8. TRADE AND OTHER RECEIVABLES

The Company states its trade and other receivables initially at fair value. Subsequent to initial recognition, they are measured at amortised cost.

	28 February 2025 US\$'000	29 February 2024 US\$'000
Lease rental income and other receivables	4,702	709
Straight line rent receivable	20,049	22,823
Maintenance reserve receivable	1,746	3,572
Total trade and other receivables	<u>26,497</u>	<u>27,104</u>

While trade and other receivables above is subject to the impairment requirements of IFRS 9, the identified impairment ECL was assessed as immaterial.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

9. OTHER ASSETS

Other assets are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost.

	28 February 2025 US\$'000	29 February 2024 US\$'000
Rent and maintenance deferrals	11,727	417
Aircraft parts	2,291	5,236
Lease premium, net	8,785	12,440
Maintenance and asset improvements	1,934	5,838
Miscellaneous other assets	27,008	19,040
Total other assets	<u>51,745</u>	<u>42,971</u>

Maintenance and asset improvements includes major maintenance, modification, and other aircraft improvements that are in process and incurred in connection with the transition of aircraft to the next operator. These costs will be capitalized as a component of flight equipment held for lease upon delivery of the aircraft to the next operator.

During the year ended 28 February 2025, we recorded US\$2,681,000 (2024: US\$1,080,925) of impairment charges related to our aircraft parts.

10. MAINTENANCE PREMIUMS

Maintenance premiums relate to aircraft acquired by the Company with existing leases and lease back arrangements. The fair values of leases were higher than the considerations paid resulting in maintenance premiums. At 28 February 2025 and 29 February 2024, maintenance premiums are as follows:

	28 February 2025 US\$'000	29 February 2024 US\$'000
Maintenance premiums	—	3,228
Total maintenance premiums	<u>—</u>	<u>3,228</u>

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

11. AMOUNTS DUE FROM/(TO) FELLOW SUBSIDIARY AND PARENT UNDERTAKINGS

	28 February 2025 US\$'000	29 February 2024 US\$'000
Amounts due from parent undertakings	1,074,331	224,767
Amounts due from fellow subsidiary undertakings	287,360	1,034,897
Subtotal amounts due from fellow subsidiary and parent undertakings	1,361,691	1,259,664
Amounts due to parent undertakings	(1,196,554)	(1,207,397)
Amounts due to fellow subsidiary undertakings	(822,287)	(1,842,755)
Subtotal amounts due to fellow subsidiary and parent undertakings	(2,018,841)	(3,050,152)
Net amounts due to fellow subsidiaries and parent undertakings	(657,150)	(1,790,488)

During the year, the Company was a borrower of an intercompany loan issued by Aircastle Limited (the "Ultimate Parent" company) for US\$338,429,000 (2024: US\$1,207,397,000) at 1% - 5.62% (2024: 1% - 4.66%) per annum interest with a maturity period of one year.

Other than the intercompany loan discussed above, the amounts due from/to fellow subsidiary and parent undertakings are payable on demand, interest free and unsecured. While "Amounts due from fellow subsidiary and parent undertakings" above is subject to the impairment requirements of IFRS 9, the identified impairment ECL was assessed as immaterial.

12. MAINTENANCE RESERVES AND SECURITY DEPOSITS

	28 February 2025 US\$'000	29 February 2024 US\$'000
Maintenance reserves	368,417	205,271
Security deposits	56,664	27,077
Total maintenance reserves and security deposits	425,081	232,348

In addition to the US\$425,081,000 cash maintenance reserves and security deposits, the Company also holds letters of credit totalling US\$103,468,000 from its lessees as of 28 February 2025.

13. BANK LOAN, NET

On 28 August 2024, the Company repaid in full the US\$298,233,000 outstanding principal amount of one of our term financings secured by 11 aircraft. We recognized a gain on the early extinguishment of debt of \$287,000.

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

13. BANK LOAN, NET (Continued)

A interest amount of US\$6,994,000 (2024: US\$12,262,000) has been paid.

	28 February 2025 US\$'000	29 February 2024 US\$'000
<i>Bank Loan</i>		
Balance at the beginning of the year	298,233	330,330
Principal repayments during the year	(298,233)	(32,097)
Balance at the end of the year	—	298,233
	28 February 2025 US\$'000	29 February 2024 US\$'000
Debt issue cost		
Balance at the beginning of the year	611	1,279
Issue cost incurred during the year		170
Amortisation of debt issuance cost	(611)	(838)
Balance at the end of the year	—	611
Net balance at the end of the year	—	297,622

As of 28 February 2025, future minimum payments are as follows:

	Within 1 year US\$'000	More than 1 year US\$'000	Total US\$'000
Bank loan	—	—	—
Debt issue cost	—	—	—
Bank loan, net	—	—	—

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

14. NOTES PAYABLE

Debt Obligation	Principal	Rate	Maturity
DAC Loans Tranche A	976,055,000	5.25 %	1 April 2028 * #
DAC Loans Tranche B	303,945,000	6.05 %	1 April 2028 * #
\$500M 5.75% Senior Notes	500,000,000	5.75 %	1 October 2031
\$500M 5.25% Senior Notes	500,000,000	5.25 %	15 March 2030
\$242M 5.25% Affiliate Notes	242,000,000	5.25 %	27 February 2026 * ^
\$700M 5.00% Affiliate Notes	653,800,000	5.00 %	30 August 2026 * ^
Gross Note Payable	3,175,800,000		
Debt issuance cost and discount	(14,371,000)		
Net Note Payable	3,161,429,000		
Current note payable	895,800,000		
Non-current note payable	2,265,629,000		

* Indicates amount due to ultimate parent company.

Includes amount transferred from merged entities

^ Indicates that amount was repaid subsequent to 28 February 2025.

Notes payable with Aircastle Funding (Ireland) Designated Activity Company:

On 31 March 2023, the Company entered into a new loan facility with Aircastle Funding (Ireland) Designated Activity Company in the amount of US\$873,755,000 (the "2023 Loan"). Monthly payments were paid on the last day of each month and represent interest only. The new loan bore interest at a fixed rate of 5.40% and has a final repayment date of 30 March 2028.

On January 26, 2024, the 2023 Loan was terminated as a result of a settlement arrangement executed between the Company and the Aircastle Funding (the "Settlement"). As part of the Settlement, the Company became an Issuer and Substitute Obligor, as defined, under unsecured A and B Notes (the "2023 Notes") that are listed on the Bermuda stock exchange for which Aircastle Funding was the original issuer. The Company is liable for US\$666,276,000 and US\$207,479,000 of the principal amount of A and B Notes (the "Relevant Portion"), respectively, including interest, fees, and other amounts arising under the Relevant Portion of the 2023 Notes. The A and B Notes bear interest at a fixed rate of 5.25% and 6.05%, respectively, and have a final repayment date of 30 March 2028.

Senior Notes

On 18 July 2024, the Company, together with Aircastle Limited, issued \$500,000,000 aggregate principal amount of 5.750% Senior Notes due 1 October 2031 at an issue price of 99.640%.

On January 31, 2025, the Company issued \$500,000,000 aggregate principal amount of 5.250% Senior Notes due 2030 (the "Senior Notes due 2030") at an issue price of 99.171%. The Senior Notes due 2030 will mature on March 15, 2030, and bear interest at a rate of 5.25% per annum, payable semi-annually on March 15 and September 15 of each year, commencing on September 15, 2025. Interest accrues on the Senior Notes due 2030 from January 31, 2025.

NOTES TO THE FINANCIAL STATEMENTS**28 February 2025 (Continued)****14. NOTES PAYABLE (Continued)****Notes Subscription Agreements**

On 27 August 2024, the Company entered into a Notes Subscription Agreement with Aircastle Limited, as sole noteholder, whereby the Company issued notes in the amount of US\$242,000,000 (the "February 2026 Notes"). The February 2026 Notes bear interest at a fixed rate of 5.25%, which is payable on the 15th day of each month, and have a final repayment date of 27 February 2026.

On 17 September 2024, the Company entered into a Notes Subscription Agreement with Aircastle Limited, as sole noteholder, whereby the Company issued notes in the amount of US\$700,000,000 (the "August 2026 Notes"). The August 2026 Notes bear interest at a fixed rate of 5.00%, which is payable on the 15th day of each month, and have a final repayment date of 30 August 2026.

15. CALLED UP SHARE CAPITAL

	28 February 2025 US\$000	29 February 2024 US\$000
Authorised		
1,000,000 ordinary shares of EUR1 each	<u>1,000</u>	<u>1,000</u>

	28 February 2025 US\$000	29 February 2024 US\$000
Allotted, called up and fully paid		
1 ordinary share of EUR1 each	<u>—</u>	<u>—</u>

16. CAPITAL CONTRIBUTION

The Company received an unconditional capital contribution from Aircastle Advisor (Ireland) Limited, the immediate parent company, for US\$nil (2024: US\$200,915,000). In 2018, 2017, 2016 and 2014, the Company received an unconditional capital contribution from Aircastle Advisor (Ireland) Limited, the immediate parent company, for US\$90,000,000, US\$62,290,000, US\$29,452,000, and US\$32,900,000, respectively.

17. PARENT UNDERTAKINGS, CONTROLLING PARTIES AND RELATED PARTY TRANSACTIONS

The immediate parent undertaking and controlling party of the Company is Aircastle Advisor (Ireland) Limited, a company incorporated in Ireland. The ultimate parent undertaking and controlling party is Aircastle Limited, a company incorporated in Bermuda having its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

In common with other companies which are members of a group of companies, the financial statements reflect the effect of such membership. The Company has availed itself of the exemption provided in FRS 101, "Related Party Disclosures", for subsidiary undertakings 100% of whose voting

NOTES TO THE FINANCIAL STATEMENTS

28 February 2025 (Continued)

17. PARENT UNDERTAKINGS, CONTROLLING PARTIES AND RELATED PARTY TRANSACTIONS
(continued)

rights are controlled within the group, from the requirement to give details of transactions with entities that are part of the group or investees of the group qualifying as related parties.

18. CAPITAL COMMITMENTS AND CONTINGENCIES

As of 28 February 2025, the Company had US\$272,800,000 of capital commitments to purchase aircraft (2024:nil) and there were no contingent liabilities that require disclosure in the financial statements.

19. DIVIDENDS

During the year ended 28 February 2025, the Company received dividends totalling US\$nil (2024: US\$66,477,000 from 5 of its subsidiary undertakings).

20. SUBSEQUENT EVENTS

On 17 July 2025, the Company, together with Aircastle Limited, issued US\$650,000,000 aggregate principal amount of 5.000% Senior Notes due 15 September 2030 at an issue price of 99.306% (the "2030 Notes").

On 17 July 2025, the Company repaid in full the US\$242,000,000 and US\$653,800,000 outstanding principal amounts of its Notes with Aircastle Limited that had final stated maturity dates of 27 February 2026 and 30 August 2026, respectively. The Notes were repaid using proceeds from the 2030 Notes together with an additional borrowing of USD\$555,000,000 under one of its intercompany loan agreements with Aircastle Limited (the "Intercompany Loan"). The Intercompany Loan bears interest at 5.11% per annum and has a maturity period of one year and can be extended for successive one year periods.

21. APPROVAL OF FINANCIAL STATEMENTS

The board of Directors approved these financial statements on 11 September 2025.