

INCLINE ALADDIN 1 LEASING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL PERIOD FROM 10 MAY 2024
(DATE OF INCORPORATION) TO 31 DECEMBER 2024**

INCLINE ALADDIN 1 LEASING LIMITED

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INCLINE ALADDIN 1 LEASING LIMITED

COMPANY INFORMATION

Directors	Declan Cotter (appointed 10 May 2024) Gavin Mercer (appointed 10 May 2024) Maurice Prendergast (appointed 10 May 2024) James Conroy (appointed 10 May 2024)
Company secretary	Gavin Mercer (appointed on 10 May 2024)
Registered number	763793
Registered office	West Pier Dun Laoghaire County Dublin Ireland
Independent auditors	Ernst & Young Chartered Accountants Ernst & Young Building Harcourt Centre Harcourt Street Dublin 2 Ireland
Solicitors	McCann Fitzgerald Riverside 1 Sir John Rogerson's Quay Dublin 2 Ireland

INCLINE ALADDIN 1 LEASING LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2024

The Directors present herewith their first report and audited financial statements of Incline Aladdin 1 Leasing Limited (the "Company") for the financial period from the date of incorporation on 10 May 2024 to 31 December 2024.

Principal Activities and Review of the Development of the Business

The principal activity of the Company is the financing and leasing of jet aircraft. The Directors expect these activities to continue for the foreseeable future. The Directors continue to review and seek business opportunities for the Company.

Principal Risks and Uncertainties

The Company, in the course of its business activities, is exposed to market, liquidity, credit, foreign currency and interest rate risk. The Company in turn has a financial risk policy that is managed by a related party, BBAM Aviation Services Limited ("BBAM ASL"). The Board of Directors ensures that risks are identified and managed in accordance with the objectives of the Company.

Asset risk

The Company's primary business is the leasing of flight equipment. The Company bears the risk of re-leasing or selling the flight equipment. Should demand for aircraft decrease significantly for an extended period, and/or the value of the flight equipment in the fleet reduces, the Company may incur impairment charges.

This risk is mitigated by the Company's strategy of investing in modern and fuel-efficient flight equipment in operation with significant numbers of established operators. These assets have the most stable values. In addition, the Company and BBAM ASL have significant experience of managing similar portfolios of aviation assets. The Company and BBAM ASL have in-house capability and experience in remarketing and selling flight equipment as may be required.

The risk is mitigated by the approach to asset risk management which includes proprietary analytical tools and active fleet management. The Company and BBAM ASL undertake a periodic review of the carrying values, focusing on both residual values and impairment.

Market risk

The Company is highly dependent upon the continuing financial strength of the commercial airline industry. A significant deterioration in this sector could adversely affect it through a reduced demand for its aircraft and/or reduced market rates, the potential of lessee default resulting in the aircraft being off-lease, all of which may require that the carrying values of its aircraft be materially reduced.

These exposures are managed by requiring the lessees of the Company's aircraft to maintain insurance, adequate maintenance policies and/or make contributions to a maintenance reserve to cover the major maintenance on the aircraft. The effective monitoring and controlling of these exposures is a competency of BBAM ASL who monitors the related risks as part of the financial risk policy which the Company has entered into.

A significant deterioration in the financial condition of or bankruptcy by the lessees could adversely impact the airlines' ability to comply with their lease payment obligations to the Company and expose the Company to significant financial loss. The Company and BBAM ASL periodically review the carrying values of its aircraft, trade receivables, and the sufficiency of its accruals and provisions, substantially all of which are susceptible to the above risks and uncertainties.

INCLINE ALADDIN 1 LEASING LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

Principal Risks and Uncertainties (continued)

Liquidity risk

The ability of the Company to continue to operate is dependent upon its ability to meet its payment obligations and adhere to covenant requirements under its debt arrangements, which is dependent upon factors outlined above. If the Company cannot meet its obligations under the debt arrangements or its capital commitments, it may be subject to contract breach damage suits which could question the Company's ability to operate on a going concern basis.

In the management of liquidity risk, the Company and BBAM ASL monitor and maintain a level of liquid assets deemed adequate by management to finance the Company's operations and mitigate the effects of fluctuations in cash flows. The Company's exposure to liquidity risk is minimal as it is expected that the Company can meet its short-term liabilities as they fall due.

Credit risk

The Company is subject to the credit risk of its lessees as to collection of rental payments under their operating leases. Credit risk is defined as an unexpected loss in cash and earnings if the counterparty is unable to pay its obligations in due time. The effective monitoring and controlling of airline customer credit risk is a competency of BBAM ASL as part of the financial risk policy the Company has entered into. The creditworthiness of each new customer is assessed, and the Company seeks security deposits in the form of cash or Letters of Credit to mitigate overall financial exposure to any of its lessees. The assessment process takes into account qualitative and quantitative information about the customer such as business activities, financial resources and performance or business risks, to the extent that this information is publicly available or otherwise disclosed to the Company.

The Company holds cash balances which are invested on a short-term basis and are classified as cash and cash equivalents. These deposits give rise to credit risk on amounts due from counterparties. Credit risk is managed by limiting the aggregate amount and duration of exposure to any one counterparty. The Company typically does not enter into deposits with duration of more than three months.

The value of trade receivables is highly dependent upon the financial strength of the commercial aviation industry as described in market risk section. Defaults by the lessees could have a material adverse effect on the Company's cash flow and earnings and its ability to meet the debt obligations of the Company. The Company and BBAM ASL periodically perform reviews of its trade receivables and the sufficiency of accruals and provisions, substantially all of which are susceptible to the above risks and uncertainties.

Foreign currency risk

The Company's exposure to foreign currency risk is minimal. The Company's foreign currency exposures arise mainly on audit and tax fees, which are denominated in euro.

Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities. The interest rate and terms of repayment of financial liabilities are disclosed in the respective notes to the financial statements. The impact of changes in interest rates on floating-rate borrowings is offset by the impact of changes in interest rates on variable operating income.

Results for the Financial Period and State of Affairs at 31 December 2024

The profit and loss account for the financial period ended 31 December 2024 and the balance sheet at 31 December 2024 are set out on pages 9, 10 and 11, respectively. The Company's loss on ordinary activities for the financial period before taxation amounted to US\$603,838. After crediting tax of US\$150,960, a loss of US\$452,878 is transferred to reserves. Shareholders' funds at 31 December 2024 amounted to a deficit of US\$452,877. The Directors do not recommend a dividend be paid in respect of the current financial period.

INCLINE ALADDIN 1 LEASING LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

Directors' and Secretary's Interests

The Directors who served during the financial period are set out on page 1 of these financial statements. In accordance with the Articles of Association, the Directors are not required to retire by rotation.

The Directors and the Company Secretary do not have any direct or beneficial interest in the shares, deferred shares, share options and debentures of the Company at 10 May 2024 or 31 December 2024 requiring disclosure in the Directors' Report pursuant to Section 329 of the Companies Act 2014.

Going Concern

The Directors have prepared the financial statements for the financial period ended 31 December 2024 on the going concern basis of preparation.

The Directors have considered the impact on Incline B Aviation Limited Partnership, the ultimate parent undertaking and controlling party, and its subsidiaries, in the context of the Company's use of the going concern basis of preparation at the date of signing these financial statements by evaluating all cash inflows and outflows of Incline B Aviation Limited Partnership and its subsidiaries, over the coming year under the following assumptions, judgments and estimates;

- the current cash and liquidity position and its committed income,
- the estimated cash outflows to cover all obligations for the next twelve months,
- the letter of support provided by the ultimate parent undertaking and controlling party, and
- the additional liquidity from available unfunded capital commitments. As at 31 December 2024 and as of the date of these financial statements, the unfunded capital commitments of the ultimate parent undertaking's investors amount to US\$270.3 million.

Based on this analysis and all information available at present, the Directors believe that the Company has sufficient liquidity to meet its obligations as they fall due and that it continues to be appropriate to prepare the financial statements on a going concern basis of preparation for at least twelve months from the date of the approval of these financial statements.

Events after the Reporting Period

There are no significant events subsequent to 31 December 2024 that require adjustment to or disclosure in these financial statements.

Political Donations

No political donations were made by the Company during the financial period.

Charitable Contributions

No charitable contributions were made by the Company during the financial period.

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 BBAM Limited Partnership ("BBAM LP"), a related party undertaking, at 150 Spear Street, Suite 850, San Francisco, CA 94105, USA. Although the accounting records are kept at a place outside the State, these are sent to and kept at a place in the State and such information and returns relating to the business dealt with in the accounting records will (a) disclose with reasonable accuracy the assets, liabilities, financial position and profit or loss of that business at intervals not exceeding 6 months, and (b) enable to be prepared in accordance with Part 6 of the Companies Act 2014 the Company's statutory financial statements as required by Section 290, and the Directors' Report as required by Section 325. These accounting records are held at the Company's registered office.

INCLINE ALADDIN 1 LEASING LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

Statement on Relevant Audit Information

In the case of each person who is a Director at the time this report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's statutory auditor is unaware, and
- the director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's statutory auditor is aware of that information.

Independent Auditor

Ernst & Young, Chartered Accountants, were appointed as first auditor during the financial period and have expressed their willingness to continue in office in accordance with section 383(2) of the Companies Act 2014.

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 Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). 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 year end date and of the profit or loss of the Company for the financial year 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 judgments 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;
- 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.

Approved by the board and authorised for issue on 30 June 2025.



Declan Cotter
Director



Gavin Mercer
Director



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INCLINE ALADDIN 1 LEASING LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Incline Aladdin 1 Leasing Limited ('the Company') for the period ended 31 December 2024, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including the 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 31 December 2024 and of its loss for the period 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), 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.

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 the date 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.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INCLINE ALADDIN 1 LEASING LIMITED (CONTINUED)

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 for the financial period ended for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report 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 INCLINE ALADDIN 1 LEASING LIMITED (CONTINUED)

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 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.

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 'Patrick O'Driscoll'.

Patrick O'Driscoll
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

Date: 30 June 2025

INCLINE ALADDIN 1 LEASING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2024**

	Note	Period from 10 May 2024 to 31 December 2024 US\$
Operating income	2	2,655,856
Operating expenses	3	(1,318,536)
Net operating profit on continuing operations		<u>1,337,320</u>
Interest income	4	2,673
Interest expense	5	(1,894,774)
Amortisation of loan costs	5	(49,057)
Loss on ordinary activities before taxation		<u>(603,838)</u>
Income tax credit on ordinary activities	6	150,960
Loss on ordinary activities after taxation		<u><u>(452,878)</u></u>

The accompanying notes on pages 13 to 35 form an integral part of these financial statements.

All items of profit and loss are due to continuing operations. There are no other comprehensive income items for the current financial period ended 31 December 2024.

INCLINE ALADDIN 1 LEASING LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2024**

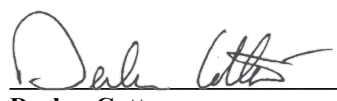
	Note	31 December 2024 US\$
Assets		
Flight equipment held for operating leases, net	10	57,399,729
Deferred tax assets, net	6	150,960
Other receivables	15	4,222
Total non-current assets		57,554,911
Cash and cash equivalents	7	2,673
Restricted cash	8	1,034,895
Total current assets		1,037,568
Total assets		58,592,479

INCLINE ALADDIN 1 LEASING LIMITED


**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024**

	Note	31 December 2024 US\$
Liabilities		
Notes payable to affiliates	12	16,706,828
Security deposits	13	433,021
Secured borrowings	11	38,671,939
		55,811,788
Amounts due to fellow group undertakings	9 & 22	401,194
Deferred operating lease rental income	14	375,284
Notes payable to affiliates	12	407,572
Secured borrowings	11	2,019,277
Other liabilities	16	30,241
		3,233,568
Total creditors: amounts falling due within one year		3,233,568
Total liabilities		59,045,356
Net liabilities		(452,877)
Capital and reserves		
Called up share capital presented as equity	17	1
Profit and loss account		(452,878)
		(452,877)
Total shareholders' funds		(452,877)

These financial statements were approved by the board and authorised for issue on 30 June 2025.



Declan Cotter
 Director



Gavin Mercer
 Director

The accompanying notes on pages 13 to 35 form an integral part of these financial statements.

INCLINE ALADDIN 1 LEASING LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2024**

	Share Capital	Profit and Loss Account	Total Shareholder Funds
	US\$	US\$	US\$
At 10 May 2024 (inception)	-	-	-
Loss for the financial period	-	(452,878)	(452,878)
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period	-	(452,878)	(452,878)
Issue of share capital	1	-	1
	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	1	-	1
	<hr/>	<hr/>	<hr/>
At 31 December 2024	1	(452,878)	(452,877)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes on pages 13 to 35 form an integral part of these financial statements.

No dividends were paid during the current financial period.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information

1.1 Corporate information

The financial statements of Incline Aladdin 1 Leasing Limited (“the Company”) for the financial period ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 30 June 2025. The Company was incorporated on 10 May 2024. The Company is domiciled in the Republic of Ireland. The registered office is located at West Pier, Dun Laoghaire, County Dublin, Ireland. The registered number of incorporation is 763793.

The principal activities of the Company are described in the Directors’ Report on page 2. Information on the Company’s ultimate and immediate parent undertakings is provided in Note 21.

1.2 Basis of preparation and statement of compliance

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with Financial Reporting Standards 101 Reduced Disclosures Framework (“FRS 101”) and applicable accounting standards at 31 December 2024. The financial statements also comply with the requirements of Irish Company Law applicable to FRS 101 reporters.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”) but makes amendments where necessary in order to comply with the Companies Act 2014 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the financial period ended 31 December 2024.

The smallest group in which the financial statements of the Company are consolidated is Incline Aladdin Holdings Limited (“Aladdin Holdings”). The largest group in which the financial statements of the Company are consolidated is Incline B Aviation Limited Partnership (“Incline B”) which is incorporated in the Cayman Islands and has its registered office at P.O. Box 309 Ugland House Grand Cayman, YY KY1-1104. The Company has its registered office at West Pier, Dun Laoghaire, County Dublin. Aladdin Holdings’ consolidated financial statements are publicly available at Aladdin Holdings’ registered office. The consolidated financial statements of Incline B are not publicly available.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.2 Basis of preparation and statement of compliance (continued)

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

- i. The requirements in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
 - a. Paragraph 73(e) of IAS 16 *Property, Plant and Equipment*; and
- ii. the requirements in paragraph 10 and 111 of IAS 1 *Presentation of Financial Statements* to present a Cash Flow and Cash Flow Statement;
- iii. the requirements in paragraphs 134-136, Capital Management disclosures;
- iv. the requirements of IAS 7 *Cash Flow Statement*;
- v. the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- vi. the requirements of paragraph 17 and 18A of IAS 24 *Related Party Disclosures*;
- vii. 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;
- viii. the requirements of paragraph 30 and 31 of IAS 8 to disclose new and amended standards issued, but not yet effective;
- ix. the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- x. the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*; and
- xi. the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*.

Going Concern

The Directors have prepared the financial statements for the financial period ended 31 December 2024 on the going concern basis of preparation.

The Directors have considered the impact on Incline B Aviation Limited Partnership, the ultimate parent undertaking and controlling party, and its subsidiaries, in the context of the Company's use of the going concern basis of preparation at the date of signing these financial statements by evaluating all cash inflows and outflows of Incline B Aviation Limited Partnership and its subsidiaries, over the coming year under the following assumptions, judgments and estimates;

- the current cash and liquidity position and its committed income,
- the estimated cash outflows to cover all obligations for the next twelve months,
- the letter of support provided by the ultimate parent undertaking and controlling party, and
- the additional liquidity from available unfunded capital commitments. As at 31 December 2024 and as of the date of these consolidated financial statements, the unfunded capital commitments of the ultimate parent undertaking's investors amount to US\$270.3 million.

Based on this analysis and all information available at present, the Directors believe that the Company has sufficient liquidity to meet its obligations as they fall due and that it continues to be appropriate to prepare the financial statements on a going concern basis of preparation for at least twelve months from the date of the approval of these financial statements.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.3 New and amended accounting standards adopted

The Company has adopted all relevant new standards, interpretations and amendments which have been issued by the International Accounting Standards Board ("IASB") and have been adopted for use by the E.U. for annual reporting periods beginning on or after 1 January 2024. The application of these amendments did not result in material changes to the Company's financial statements.

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

The Company has not adopted any other new standards or interpretations that are not mandatory.

1.4 Foreign currencies

The Company's financial statements are prepared in U.S. dollars ("US\$"), which is also the functional currency of the Company. All financial information presented in US\$ has been rounded to the nearest dollar unless otherwise indicated. Foreign currency transactions are initially recorded at the spot rate and are translated at the rate of exchange prevailing on the first day of the month. However, where there is a difference of more than 5% between this rate and the rate at the date of the transaction an adjustment is made.

Monetary assets and liabilities denominated in currencies other than US\$ are translated into US\$ at exchange rates prevailing at the end of the financial year. Non-monetary assets are stated at cost based on the exchange rate prevailing at the date of acquisition of the asset. All exchange differences are included in the Profit and Loss Account.

1.5 Operating income

Operating income is recognised on a straight-line basis over the term of the underlying lease. The difference between lease rentals invoiced and amounts recognised in income, resulting from the straight-lining of revenues, are included in deferred operating lease rental income in the balance sheet. As the Company's lease contracts require payment in advance, rentals received but unearned under the lease agreements are recorded in deferred operating lease rental income.

1.6 Operating expenses

Operating expenses are administrative and other expenses primarily related to management, accounting, auditing, tax, legal and advisory fees. Operating expenses are recognised in the financial statements on an accrual basis. Depreciation for the financial year is included in operating expenses and is calculated and disclosed in line with IAS 16, *Property, Plant and Equipment* (see Note 3).

1.7 Interest income

Interest on deposits with financial institutions is recognised as earned using the effective interest rate method. A receivable is recorded for interest income earned but not yet received. To the extent interest is received but not yet earned, deferred income is recorded for the unearned portion.

1.8 Interest expense

Interest on notes payable to affiliates is recognised as incurred using the effective interest rate method. A prepayment is recorded for interest payments made and not yet incurred. For interest that has been incurred but unpaid at the end of the financial year, an accrual is recorded.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.9 Leases

Leases are accounted for and classified in accordance with IFRS 16, *Leases*. Leases where the Company transfers substantially all of the risks and rewards of ownership to the lessee are classified as finance leases. All other leases are classified as operating leases.

1.10 Lease costs

Costs incurred and directly attributable to the leasing out of the aircraft are capitalised and amortised over the term of the lease.

1.11 Flight equipment held for operating leases, net

The Company states all flight equipment assets owned at cost, net of accumulated depreciation and accumulated impairment losses. The cost of the asset is made up of the purchase price of the asset plus any costs directly attributable to bringing the asset into working condition for its intended use.

The depreciable amount of flight equipment assets, comprised of the flight equipment's cost and maintenance rights less its estimated salvage value, is allocated on a systematic basis over the asset's useful life, which was determined taking into consideration the service potential and maintenance condition of the asset. The useful life of the aircraft is assessed to be 25 years from the date of manufacture unless conversion has been undertaken on the equipment. Aircraft that have undergone conversion are assigned a 15-year life from the date being placed into service after the conversion is completed or 35 years from the date of manufacture, whichever is longer. Residual values are generally estimated to be 15% of the original manufacturer's cost for aircraft when new. Management may, at its discretion, make exceptions to this policy on a case-by-case basis when, in its judgment, the residual values calculated pursuant to this policy do not appear to reflect current expectations of residual values.

Impairment of an asset is recognised in accordance with IAS 36, *Impairment of Assets*, which stipulates that the recoverable amount of an asset is measured whenever there is an indication that the asset is impaired. The Company assesses at each reporting date, whether there is an indication that a non-financial asset may be impaired. If any condition exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments at the time value of money and the risks specific to the asset. Future cash flows include contracted lease rental, forecast lease rentals, a forecast cash flow to adjust from full to half-life maintenance return condition and forecast half-life residual value at the end of the flight equipment asset's life.

If the recoverable amounts are lower than carrying values, assets are reduced to their recoverable amounts with the resultant impairment charges being recorded in the Profit and Loss Account. Where a prior impairment loss has decreased or reversed, the carrying amount of the asset is increased and the impairment loss reversed in the Profit and Loss Account to the extent the asset is not carried at a higher value than if no impairment loss had been recognised in prior periods.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.12 Financial instruments

The Company's financial asset categories are financial assets at amortised cost. Financial assets at amortised cost comprise of "cash and cash equivalents", "restricted cash" and "other receivables" in the in the balance sheet.

The Company's financial liabilities are categorised as financial liabilities measured at amortised cost. Financial liabilities measured at amortised cost comprise of "amounts due to fellow group undertakings", "notes payable to affiliates", "deferred operating lease rental income", "security deposits", "secured borrowings" and "other liabilities" in the balance sheet.

a) Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at, amortised cost, fair value through Other Comprehensive Income ("OCI"), and fair value through profit or loss.

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. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost;
- financial assets at fair value through OCI with recycling of cumulative gains and losses;
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition; and
- financial assets at fair value through profit or loss.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost are cash and cash equivalents, restricted cash and other receivables.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.12 Financial instruments (continued)

a) Financial assets (continued)

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Profit and Loss Account when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not hold any equity instruments at fair value through OCI.

Financial assets designated at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss in the Profit and Loss Account and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Company does not hold any debt instruments at fair value through OCI.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

The Company does not hold any financial assets at fair value through profit or loss.

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
- 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.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.12 Financial instruments (continued)

a) Financial assets (continued)

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough 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 of 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 could 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 12 months (a 12-month ECL);
- 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 financial assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

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.

b) Financial liabilities

Initial recognition and measurement

The Company’s financial liabilities are categorised as financial liabilities measured at amortised cost. Financial liabilities measured at amortised cost comprise of “amounts due to fellow group undertakings”, “notes payable to affiliates”, “deferred operating lease rental income”, “security deposits”, “secured borrowings” and “other liabilities” in the Balance Sheet.

All financial liabilities are recognised initially at fair value and, in the case of notes payable, net of directly attributable transaction costs.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.12 Financial instruments (continued)

b) Financial liabilities (continued)

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

After initial recognition, the Company's financial liabilities that are classified as liabilities measured at amortised cost are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR recognised is included as finance costs in the Profit and Loss Account.

This category generally applies to interest bearing loans and borrowings.

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.

c) Non-derivative financial instruments

Non-derivative financial instruments comprise of cash and cash equivalents, restricted cash, other receivables, amounts due to fellow group undertakings, notes payable to affiliates, deferred operating lease rental income, security deposits, secured borrowings and other liabilities.

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses. Where the terms of a loan facility are amended, the Company determines whether the amendment constitutes a substantial modification under both a quantitative and qualitative basis. If the amendment is deemed a substantial modification, the loan facility is deemed to be a new facility and the loan principal is deemed to have been repaid and all unamortised fees relating to the original loan facility are amortised to the Profit and Loss Account and included under interest expense.

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Cash and cash equivalents

The Company considers cash and cash equivalents to be cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments and where required under operating lease contracts.

Restricted cash

The Company's restricted cash consists of cash received from lessees that is pledged as collateral to the Company's lenders.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.12 Financial instruments (continued)

c) Non-derivative financial instruments (continued)

Notes payable to affiliates and secured borrowings

Notes payable to affiliates and secured borrowings (collectively “notes payable”) are initially recognised at fair value, being their issue proceeds net of any transaction costs incurred. After initial recognition, interest bearing notes payable are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as interest expense in the Profit and Loss Account.

Notes payable are classified as financial liabilities at amortised cost in accordance with IFRS 9, *Financial Instruments*. Notes payable are debt instruments and all amounts, paid or payable by the Company (other than payments of principal on the notes) will be treated as interest expense in the Company’s Profit and Loss Account. After initial recognition, interest bearing notes payable are subsequently measured at amortised cost. Any difference between the proceeds net of transaction costs and the redemption value is recognised in the Profit and Loss Account using the effective interest rate method.

Loan costs

Loan costs incurred in connection with the issuance of debt are capitalised and amortised over the life of the specific loan. Subsequent debt-related fees are expensed in the period incurred.

Modification of loans

The Company assesses whether the new terms of modified third party loans where the modification results in a modification of contractual cash flows are substantially different to the original terms. In making this assessment, the Company considers, among others, significant changes in the interest rate. If the terms are substantially different, the Company derecognises the original financial liability and recognises a new financial liability at fair value and recalculates a new effective interest rate for the liability. If the terms are not substantially different, the modification does not result in derecognition, and the Company recalculates the gross carrying amount based on the revised cash flows of the liability recalculated by discounting the modified cash flows at the original effective interest rate and recognises a modification gain or loss in the Profit and Loss Account. The present value of the modified cash flow of financial liability is subsequently amortised using the effective interest rate method over the remaining life of the loan and recorded as part of interest expense in the Profit and Loss Account. There were no modifications to loans during the financial period.

Security deposits

Security deposits represent cash received from the lessee that are held on deposit until lease expiry. The Company’s lease agreements also obligate the lessee to maintain the aircraft and comply with all governmental requirements during the lease term.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

1. Corporate information and material accounting policy information (continued)

1.13 Taxation

Corporation tax payable is provided on the results for the financial period. The Company has met the criteria to be treated as a qualifying company within the meaning of Section 110 of the Irish Tax Consolidation Act, 1997, which provides for a special tax regime applicable to taxable profits. A qualifying company will be subject to Irish corporation tax on trading operations at a rate of 25%.

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the end of the financial year where transactions or events have occurred at that date that will result in an obligation to pay more or right to pay less tax. Provision is made at the rates expected to apply when the temporary differences reverse based on legislation enacted or substantively enacted at the end of the financial year. Temporary differences are differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base.

A 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.

The Company offsets deferred tax assets and deferred liabilities only when it has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

1.15 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires the Directors to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. These estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed by the Directors on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information regarding balances which include significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are detailed in the following notes:

Note 6 – Deferred tax assets – key judgment about the availability of future taxable profits against which carry forward tax losses can be used;

Note 10 – Flight equipment assets – key assumptions around the underlying recoverable amount, residual values and useful economic lives.

The Company based its judgments, estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

2. Operating income

	Period from 10 May 2024 to 31 December 2024 US\$
Lease income	2,655,856

Lease income is derived from one operating lease with one lessee operating in Southeast Asia. The operating lease is not due to expire within twelve months from the reporting date.

	31 December 2024 US\$
Future contracted rent receivable:	
Due within one year	5,196,240
Due between one and two years	5,196,240
Due between two and three years	5,196,240
Due between three and four years	5,196,240
Due between four and five years	5,196,240
Due after five years	33,342,540
	59,323,740

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

3.	Operating expenses	Period from 10 May 2024 to 31 December 2024 US\$
	Depreciation	1,007,100
	Management fees	59,727
	Selling, general and administrative	231,570
	Aircraft operating expenses	20,139
		1,318,536
		1,318,536
4.	Interest income	Period from 10 May 2024 to 31 December 2024 US\$
	Bank deposit interest income	2,673
		2,673
		2,673
5.	Interest expense	Period from 10 May 2024 to 31 December 2024 US\$
	Amortisation of loan costs	49,057
	Interest expense on secured borrowings	1,487,202
	Interest expense on notes payable to affiliates	407,572
		1,943,831
		1,943,831

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

6. Tax on continuing operations

6.1 Analysis of tax expense in financial period

	Period from 10 May 2024 to 31 December 2024 US\$
Deferred tax	
Tax on continuing operations	150,960
	150,960
Income tax credit for the financial period	150,960

6.2 Reconciliation of expected tax charge at the standard tax rate to the actual tax charge at the effective rate

The tax for the financial period is consistent with the tax on ordinary activities at the rate of corporation tax in the Republic of Ireland (25%).

	31 December 2024 US\$
Loss on ordinary activities before taxation	(603,838)
	(603,838)
Tax credit on loss on ordinary activities at standard Irish corporation tax rate of 25%	150,960
	150,960
Income tax credit for the financial period	150,960

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Company operates. However, this legislation does not apply to the Company as the revenue is lower than €750 million.

6.3 Circumstances affecting current and future tax charges

Tax is chargeable in future periods unless group relief is available. To the extent losses are incurred in the future, these can be carried forward. From 1 January 2025, the corporation tax rate for qualifying companies within the meaning of Section 110 of the Irish Tax Consolidation Act, 1997, is expected to remain at its current rate of 25%.

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

6. Tax on continuing operations (continued)

6.4 Deferred tax

Deferred tax generally relates to deferred tax expense offset by deferred tax credits for losses available for offsetting against future taxable income.

In assessing the ability to realise the deferred tax assets, the Directors consider whether it is possible that some portion or all of the deferred tax assets will not be realised. All available evidence is considered and weighed to determine whether the de-recognition of a deferred tax asset is needed or should be removed. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The tax losses carried forward where deferred tax assets were not recognised at 31 December 2024 amounted to US\$Nil.

The amount of the deferred tax assets is considered realisable, however, it could be significantly reduced in the near term if estimates of future taxable income during the carry-forward period are reduced due to prolonged dislocation in the capital markets and negative changes in economic conditions and their consequences for air travel generally and specifically demand for aircraft. The key judgments associated with the accounting for deferred taxes relate primarily to temporary differences:

- Favourable profit projections which are consistent with forecasts used for internal management and planning purposes, and also consistent with forecasts used to support other areas of financial reporting such as impairment analysis;
- Contractually committed lease agreements which support a future income stream in excess of the cost required to service the lease; and
- Appreciation of the value of flight equipment in excess of their carrying value.

Below is the analysis of deferred tax by source of temporary differences.

	31 December 2024 US\$
Opening balance	-
Deferred tax credit	839,295
Deferred tax asset	<u>839,295</u>

Deferred tax assets are accumulated losses recognised to the extent that it is probable future taxable profits will be available for offset.

	31 December 2024 US\$
Opening balance	-
Deferred tax expense	(688,335)
Deferred tax liability	<u>(688,335)</u>

Deferred tax liabilities are recognised temporary differences with respect to the timing of depreciation of assets.

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

7. Cash and cash equivalents

	31 December 2024 US\$
Cash at bank	2,673
	2,673

8. Restricted cash

	31 December 2024 US\$
Pledged accounts	1,034,895
	1,034,895

Pursuant to the Credit Facility, lessees are required to make all payments due to the Company into accounts that are pledged to the security trustee of the Credit Facility for the purpose of loan repayments.

9. Amounts due to fellow group undertakings

	31 December 2024 US\$
Amounts due to fellow group undertakings	401,194
	401,194

The above amounts are interest-free, unsecured and are repayable on demand.

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

10. Flight equipment assets

During 2024, the Company acquired one aircraft. At 31 December 2024, the Company held one aircraft.

	31 December 2024 US\$
Flight equipment, at cost	58,406,829
Accumulated depreciation	(1,007,100)
Flight equipment, net	57,399,729
	Period from 10 May 2024 to 31 December 2024 US\$
Movements	
Balance at beginning of period	-
Flight equipment acquired	58,406,829
Depreciation	(1,007,100)
Balance at end of financial period	57,399,729

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

11. Secured borrowings

During 2024, the Company entered into a secured credit facility (the "Credit Facility") to finance the acquisition of one aircraft with a loan maturity in June 2029. The loan bears interest at SOFR plus a margin of 3.00%, and at 31 December 2024, an interest rate of 6.96%. The borrowings are secured by the associated aircraft and lease and the equity interest in the Company. The Credit Facility contains operating covenants and customary reporting requirements. As of 31 December 2024 the Company is in compliance with these reporting requirements.

During 2024, the Company received borrowings in an aggregate amount of \$42.0 million and repaid an aggregate outstanding principal amount of \$1.0 million. The Company incurred debt issuance costs of \$0.4 million during 2024. As of December 31, 2024, the Company's aggregate accrued interest for the Credit Facility totaled \$39,655.

	31 December 2024 US\$
Principal outstanding	41,022,504
Accrued and unpaid interest	39,655
Loan costs, net of amortisation	(370,943)
Net loans and borrowings	40,691,216
	Period from 10 May 2024 to 31 December 2024 US\$
Movements on principal and interest	
Balance at beginning of financial period	-
Drawdown of borrowings	42,000,000
Repayment of borrowings	(977,496)
Interest paid	(1,447,547)
Interest expense	1,487,202
Balance at end of financial period	41,062,159

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

11. Secured borrowings (continued)

	Period from 10 May 2024 to 31 December 2024 US\$
Movements on loan costs	
Balance at beginning of financial period	-
Loan costs incurred	420,000
Amortisation of loan costs	(49,057)
Balance at end of financial period	370,943
	31 December 2024 US\$
Loan commitments as contracted:	
Due within one year	2,071,368
Due between one and two years	2,224,376
Due between two and three years	2,388,686
Due between three and four years	2,558,122
Due between four and five years	31,779,952
Due over five years	-
	41,022,504

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

12. Notes payable to affiliates

Intercompany Loan

In May 2024, the Company entered into an intercompany loan agreement with Incline B Aviation Limited Partnership, amounting to US\$11.2 million to partly fund the acquisition of jet aircraft. The intercompany loan bears interest at SOFR plus a margin of 2.00%, and at 31 December 2024, an interest rate of 6.58%. The loan matures between 2044 and 2049.

PPN

In May 2024, the Company entered into a profit participating note (“PPN”) with Incline Aladdin Holdings SARL amounting to US\$5,506,828. The PPN is structured as limited in recourse and entitles Aladdin Holdings SARL to a periodic return equal to the profit of the Company, less a cash retention amount of US\$1,200 per quarter. The PPN issued in 2024 matures in 2044.

	31 December 2024 US\$
Intercompany Loan	
Principal, non-current	11,200,000
Accrued and unpaid interest, current	407,572
	11,607,572
	11,607,572
	Period from 10 May 2024 to 31 December 2024 US\$
Movements	
Balance at the beginning of the financial period	-
Advanced during the financial period	11,200,000
Interest paid	-
Interest expense	407,572
	11,607,572
	11,607,572

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

12. Notes payable to affiliates (continued)

	31 December 2024 US\$
PPN	
Principal, non-current	5,506,828
Accrued and unpaid interest, current	-
	5,506,828
Balance at end of financial period	5,506,828
Period from 10 May 2024 to 31 December 2024 US\$	
Movements	
Balance at the beginning of the financial period	-
Advanced during the financial period	5,506,828
Interest paid	-
Interest expense	-
	5,506,828
Balance at end of financial period	5,506,828

13. Security deposits

	31 December 2024 US\$
Security deposits	433,021
	433,021
	433,021

The security deposit is payable to the lessee.

14. Deferred operating lease rental income

	31 December 2024 US\$
Unearned rental income	375,284
	375,284
	375,284

INCLINE ALADDIN 1 LEASING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

15. Other receivables

**31 December
2024
US\$**

Other receivables	4,222
	4,222
	4,222

Other receivables are expected to be fully settled within twelve months after the reporting date.

16. Other liabilities

**31 December
2024
US\$**

Accrued operating expenses	30,241
	30,241
	30,241

Other liabilities are expected to be fully settled within twelve months after the reporting date.

17. Called up share capital presented as equity

**31 December
2024
US\$**

Authorised	
100,000 ordinary shares of \$1 each	100,000
	100,000
	100,000

**31 December
2024
US\$**

Allotted, called up and fully paid	
1 ordinary share of \$1 each	1
	1
	1

18. Capital contributions

The Company did not receive any capital contributions from its immediate parent undertaking, Incline Aladdin Holdings Limited, during the financial period.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

19. Statutory and other information

The loss on ordinary activities before taxation is stated after charging:

	31 December 2024 US\$
Directors' remuneration	-
Audit fees	10,626
Tax fees	-
	<hr/>
	10,626
	<hr/> <hr/>

The Company incurred no directors' costs. Auditor's remuneration, shown exclusively of value added tax ("VAT"), arises from the audit of entity financial statements.

20. Employees

The Company has no employees. The Company employs BBAM ASL to provide management and consulting services with respect to the aircraft on lease. BBAM ASL is an indirect wholly-owned subsidiary of BBAM Limited Partnership (BBAM). BBAM is owned 35% by Onex Corporation and its affiliates, including its managed investment funds, 35% by an investment vehicle beneficially owned by certain directors, officers and employees of BBAM and its subsidiaries, and 30% by affiliates of GIC Private Limited (GIC). Onex Corporation and certain of its officers and employees, certain officers and employees of BBAM and its subsidiaries, and an affiliate of GIC have a minority ownership interest in the Company's ultimate parent undertaking.

21. Ultimate and immediate parent undertaking

The immediate parent undertaking is Incline Aladdin Holdings Limited ("Aladdin Holdings"), a company incorporated in the Republic of Ireland. Aladdin Holdings, in turn, is a wholly-owned subsidiary of Incline B Aviation Aladdin (Cayman) Holdings Limited Partnership ("Aladdin Cayman Holdings"). The ultimate parent undertaking, and controlling party, is Incline B Aviation Limited Partnership ("Incline B"), which is incorporated in the Cayman Islands and has its registered office at P.O. Box 309 Ugland House Grand Cayman, YY KY1-1104.

Incline B is the majority owner of Aladdin Cayman Holdings and non-controlling interests in Aladdin Cayman Holdings are owned by Incline B Aviation Aladdin Co-Investment Limited Partnership and Incline B Aviation Limited Partnership.

The smallest and largest group in which the financial statements of the Company are consolidated are Aladdin Holdings and Incline B, respectively. Aladdin Holdings is incorporated in the Republic of Ireland, having its registered office at West Pier, Dun Laoghaire, County Dublin. Aladdin Holdings' financial statements are publicly available at the Company's registered office. The financial statements of Incline B are not publicly available.

INCLINE ALADDIN 1 LEASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

22. Related party transactions

The Company has notes payable to affiliates as described in Note 12. Additional details on transactions with fellow group undertakings are disclosed below:

	31 December 2024 US\$
Amounts due to fellow group undertakings	
Parent:	
Incline Aladdin Holdings Limited	54,983
Affiliates:	
Incline Aladdin Funding DAC	59,726
Incline Aladdin Engine Funding DAC	254,962
Other related parties:	
Incline B Aviation Limited Partnership	31,410
Incline B IrishCo Three Limited	113
	<hr/>
	401,194
	<hr/> <hr/>

Amounts due from or due to fellow group undertakings are outstanding balances receivable from or payable to related entities consolidated under Incline B Aviation Limited Partnership. The balances consist of transactions associated with the operations of the Company and primarily consist of the following:

- Transactions associated with the acquisition or disposal of flight equipment
- Lease related transactions
- Operational expenses paid on behalf of the Company or related entities.

23. Events after the reporting period

There are no significant events subsequent to 31 December 2024 that require adjustment to or disclosure in these financial statements.

24. Approval of financial statements

The Board of Directors approved these financial statements for issue on 30 June 2025.