AirX Group Holdings Ltd

Report & Consolidated Financial Statements

31 December 2025

Company Registration Number: C 110477

Contents

Chairman's report

This year marks a defining milestone in AirX's growth journey, with the successful issuance of a €115 million bond, a transformative step that significantly strengthens the Group's financial and operational platform. The proceeds from this issuance enabled the acquisition of all aircraft previously held under finance leases, enhancing balance sheet efficiency, increasing asset ownership, and providing greater strategic flexibility for future expansion.

This achievement represents a pivotal moment for AirX, positioning the Group for its next phase of growth. With a stronger capital structure and increased control over its fleet, the Company is now well placed to accelerate the expansion of its heavy jet operations and further reinforce its presence in the global private aviation market.

Building on this momentum, AirX has continued to focus on operational excellence, fleet optimisation, and delivering a premium experience to its clients, while laying the foundations for sustained long-term growth.

Given we are also reporting the results at the AirX Group Holding as a separate group, it is important to make comparisons to the previous year's results by reference to what the AirX Charter Holding group, as the ultimate parent entity, has reported for its financial year ended 31 December 2024. This is important because it demonstrates growth and consolidation in the overall AirX business. We are pleased to report hereunder the key figures, with the necessary comparison as aforementioned.

Revenue reached €180.7 million this year, compared to €157.3 million reported in the prior year, representing a 15% year-on-year increase. This growth was driven by two heavy jets that joined the fleet in June and July, in addition to an increase in charter hours on the existing aircraft and an increase in charter rates.

The heavy jet fleet generated €81.9 million in revenue, representing a 27.7% year-on-year increase. Charter hours rose by 22.2%, reflecting a significant improvement in fleet utilisation.

Revenue generated by the Lineage fleet amounted to €45.5 million, down from €52.7 million in the previous year, reflecting reduced aircraft availability due to scheduled major maintenance checks.

Our flagship aircraft delivered a strong performance during the year, with revenue increasing by 77% to €26.4 million. This reflects improved availability following a period in the prior year during which the aircraft was grounded for nearly five months to undergo a 12-year maintenance check.

Gross profit increased to €47.0 million, up from €41.6 million in the prior year, demonstrating the Group's ability to scale efficiently while maintaining disciplined cost control.

Administrative and selling expenses amounted to €15.0 million, up from €14.1 million in the previous year. This increase is driven by the continued investment in the organisational structure to support future growth.

EBITDA rose by 13.7% year-on-year to €32.7 million compared to €28.8 million in the prior year. Excluding one-off items, adjusted EBITDA reached €35.3 million, the highest level recorded to date. This strong performance reflects sustained demand across our core markets, improved aircraft utilisation, and the benefits of operational leverage from an expanding fleet, further supporting the Group's planned fleet expansion.

Chairman's report – continued

Depreciation and amortisation increased to €15.0 million, in line with the expansion of the fleet. During the year, movements in the USD/EUR exchange rate resulted in a gain of €1.6 million on unrealised foreign exchange and €3.3 million on realised foreign exchange, primarily following the settlement of USD-denominated borrowings and the acquisition of the fleet.

The Group closed the year with a pre-tax loss of €6.5 million, primarily driven by a one-off €10.0 million impairment related to share buyback transactions and a €4.8 million loss on extinguishment of debt, both arising in connection with the bond issuance.

Looking ahead, we remain confident in the Group's strategic direction. With a strengthened balance sheet, increased fleet ownership, and clear visibility on expansion within the heavy jet segment, AirX is well positioned to capitalise on future opportunities. Our focus remains on driving operational excellence, enhancing margins, and delivering sustainable long-term growth.

In closing, I would like to express my sincere appreciation to the management team and all employees for their continued dedication and professionalism, and to our clients and partners for their ongoing trust and support.

Yours,

John B. Matthews

Mr John Brian Matthews
Chairman

29 April 2026

Directors' report

The directors present their report together with the audited financial statements of AirX Group Holdings Limited and the consolidated financial statements of the group of which it is the parent, for the year ended 31 December 2025.

Principal activities and business overview

The company was incorporated on 10 December 2024 and carries on the business of an investment company in connection with the leasing and operation of aircraft for the transport of passengers on chartered flights and other activities linked to air transport of passengers. The company owns a number of subsidiary companies as detailed in the notes to the financial statements. The company also acts as the issuer of bonds for the purpose of financing the operations of the group.

Review of business

The Chairman's report reviews the business of the group for the year ended 31 December 2025.

Results

During the year under review, the group generated a net loss after tax of € 2,038,862 and a total comprehensive income of € 6,048,005 while the company registered a net loss after tax and total comprehensive income of € 11,733,312.

Directors

The following have served as directors of the company during the period under review:

John B. Matthews – Chairman
Houssam Hazzoury – Chief Executive Officer

In accordance with the company's Articles of Association, the present directors remain in office.

Disclosure of information to the auditor

At the date of making this report the directors confirm the following:

- As far as each director is aware, there is no relevant information needed by the independent auditor in connection with preparing the audit report of which the independent auditor is unaware, and
- Each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the independent auditor in connection with preparing the report and to establish that the independent auditor is aware of that information.

Statement of directors' responsibilities

The Companies Act, Cap. 386 requires the directors to prepare financial statements for each financial period which give a true and fair view of their state of affairs of the group and the company as at the end of the reporting period and of the profit or loss of their operations for that period. In preparing those financial statements, the directors are required to:

- adopt the going concern basis unless it is inappropriate to presume that the company will continue in business;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis; and
- value separately the components of asset and liability items.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, and to enable them to ensure that the financial statements have been properly prepared in accordance with the Companies Act, Cap. 386. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the group, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Grant Thornton has intimated its willingness to continue in office.

John B. Matthews

John B. Matthews
Chairman

Houssam Hazzoury
Group Chief Executive Officer

Registered address:
SmartCity Malta
Building SCM 01, 4th Floor, Units 401-403,
SCM 1001, Ricasoli
Kalkara
Malta

29 April 2026

Statements of comprehensive income

	Notes	The group 2025 €	The company 2025 €
Revenue	6	**180,706,876**	-
Direct operating costs		(133,722,865)	-
Gross profit		**46,984,011**	**-**
Administrative expenses		(14,383,749)	(36,428)
Selling and distribution expenses		(478,810)	-
Other income	8	599,588	-
EBITDA		**32,721,040**	**(36,428)**
Depreciation and amortisation	14,15,16	(14,986,983)	-
Impairment on amounts due from a shareholder	21	(4,957,448)	-
Loss on disposal of assets	15	(6,029)	-
Loss on extinguishment of debt	25	(4,846,265)	-
Impairment on amounts due from ultimate parent company	32	(10,000,000)	(10,000,000)
Finance income	9	5,623,898	3,919,551
Finance costs	9	(10,043,983)	(5,616,435)
Loss before tax	10	**(6,495,770)**	**(11,733,312)**
Tax income	11	4,456,908	**-**
Net loss after tax		**(2,038,862)**	**(11,733,312)**

Statements of comprehensive income – continued

	Notes	The group 2025 €	The company 2025 €
Other comprehensive (expense) income			
***Items that will not be reclassified* subsequently to profit or loss:**			
Revaluation on plant and equipment, net of deferred tax		9,945,789	-
Tax effect on revaluation of plant and equipment		(1,144,188)	-
Currency translation differences		(714,734)	-
		8,086,867	**-**
Total comprehensive income (loss) for the year		**6,048,005**	**(11,733,312)**
Attributable to:			
Owners of the parent		6,045,894	(11,733,312)
Non-controlling interest		2,111	-
		6,048,005	**(11,733,312)**

Statements of consolidated financial position

	Notes	The group 2025 €
Assets		
Non-current		
Goodwill	13	79,064,566
Intangible assets	14	145,371
Plant and equipment	15	110,809,407
Right-of-use assets	16	13,592,412
		203,611,756
Current		
Inventories	19	4,620,894
Contract assets	6	1,514,678
Other assets	20	4,123,844
Trade and other receivables	21	18,824,120
Cash and cash equivalents	22	33,666,524
Restricted cash	22	13,193,237
		77,943,297
Total assets		**279,555,053**

Statements of consolidated financial position – continued

	Notes	The group 2025 €
Equity		
Equity attributable to owners of the parent:		
Share capital	23	259,330
Share premium		87,311,376
Retained earnings		(2,040,973)
Revaluation reserve		8,801,601
Translation reserve		(714,734)
		93,616,600
Non-controlling interest		2,068,721
Total equity		**95,685,321**
Liabilities		
Non-current		
Debt securities in issue	24	109,303,449
Lease liabilities	26	5,579,440
Other payables	27	4,781,108
Deferred tax Liability	17	5,500,249
		125,164,246
Current		
Lease liabilities	26	6,024,697
Trade and other payables	27	49,728,903
Contract liabilities	28	2,088,543
Current tax liability		863,343
		58,705,486
Total liabilities		**183,869,732**
Total equity and liabilities		**279,555,053**

The financial statements on pages 6 to 52 were approved, authorised for issue and signed by the directors on 29 April 2026.

John B. Matthews

John B. Matthews
Chairman

Houssam Hazzoury
Group Chief Executive Officer

Statements of financial position

	Notes	The company
		2025
		€
Assets		
Non-current		
Investment in subsidiaries	18	87,569,541
Other receivables	21	90,286,743
		177,856,284
Current		
Trade and other receivables	21	268,993
Restricted cash	22	13,193,237
		13,462,230
Total assets		**191,318,514**

Statements of financial position – continued

	Notes	The company 2025 €
Equity		
Equity attributable to owners of the parent:		
Share capital	23	259,330
Share premium		87,311,376
Retained earnings		(11,733,312)
Total equity		**75,837,394**
Liabilities		
Non-current		
Debt securities in issue	24	109,303,449
		109,303,449
Current		
Trade and other payables	27	6,177,671
		6,177,671
Total liabilities		**115,481,120**
Total equity and liabilities		**191,318,514**

The financial statements on pages 6 to 52 were approved, authorised for issue and signed by the directors on 29 April 2026.

John B. Matthews
Chairman

Houssam Hazzoury
Group Chief Executive Officer

Statement of changes in equity – the group

	Share capital €	Share premium €	Retained earnings €	Translation reserve €	Revaluation reserve €	Attributable to owners of the parent €	Non-controlling interest €	Total equity €
Taken over upon acquisition	-	-	-	-	-	-	2,066,610	2,066,610
Profit/(loss) for the year	-	-	(2,040,973)	-	-	(2,040,973)	2,111	(2,038,862)
Currency translation differences	-	-	-	(714,734)	-	(714,734)	-	(714,734)
Other comprehensive loss	-	-	-	-	8,801,601	8,801,601	-	8,801,601
Total comprehensive income	-	-	(2,040,973)	(714,734)	8,801,601	6,045,894	2,111	6,048,005
Issue of share capital upon incorporation	1,165	-	-	-	-	1,165	-	1,165
Increase in share capital	1	-	-	-	-	1	-	1
Capitalisation of shareholder’s loan	258,164	87,311,376	-	-	-	87,569,540	-	87,569,540
Transactions with owners	**259,330**	**87,311,376**	**-**	**-**	**-**	**87,570,706**	**-**	**87,570,706**
At 31 December 2025	**259,330**	**87,311,376**	**(2,040,973)**	**(714,734)**	**8,801,601**	**93,616,600**	**2,068,721**	**95,685,321**

Retained earnings include current period results as disclosed in the statement of comprehensive income.

Statements of changes in equity – the company

	Share capital €	Share premium €	Retained earnings €	Total equity €
Profit for the year	-	-	(11,733,312)	(11,733,312)
Total comprehensive loss	**-**	**-**	**(11,733,312)**	**(11,733,312)**
Issue of share capital upon incorporation	1,165	-	-	1,165
Increase in share capital	1	-	-	1
Capitalisation of shareholder's loan	258,164	87,311,376	-	87,569,540
Transactions with owners	**259,330**	**87,311,376**	**-**	**87,570,706**
At 31 December 2025	**259,330**	**87,311,376**	**(11,733,312)**	**75,837,394**

Retained earnings include current and prior period results as disclosed in the statement of comprehensive income.

Statements of cash flows

	Notes	The group 2025 €	The company 2025 €
Operating activities			
Loss before tax		(6,495,770)	(11,733,312)
Adjustments	29	40,959,917	11,696,817
Net changes in working capital	29	(11,481,145)	1,172,875
Net cash generated from operating activities		**22,983,002**	**1,136,380**
Investing activities			
Payments to acquire plant and equipment		(22,993,510)	-
Payments to acquire intangible asset		(39,662)	-
Interest received		63,751	-
Cash taken over upon acquisition of subsidiaries		12,680,499	-
Transfer to restricted cash		(13,193,237)	(13,193,237)
Net cash used in investing activities		**(23,482,159)**	**(13,193,237)**

Statements of cash flows – continued

	Notes	The group 2025 €	The company 2025 €
Financing activities			
Payments made to acquire assets under finance lease (including early repayment options)		(25,609,817)	-
Finance lease interest paid		(1,663,365)	-
Amount received from issue of debt securities		108,691,810	108,691,810
Amounts advanced to parent company		(10,192,845)	(10,267,828)
Loans advanced to subsidiaries		-	(86,367,125)
Proceeds from borrowings		5,133,470	-
Repayment of borrowings		(35,232,349)	-
Repayment of promissory notes		(4,266,940)	-
Interest paid on borrowings		(2,367,872)	-
Interest paid on bank borrowings		(5,553)	-
Interest paid on promissory notes		(322,023)	-
Proceeds from issue of share capital		1,165	-
Net cash generated from financing activities		**34,165,681**	**12,056,857**
Net change in cash and cash equivalents		33,666,524	-
Cash and cash equivalents, beginning of period		-	-
Cash and cash equivalents, end of year	22	**33,666,524**	**-**

Notes to the financial statements

1 Nature of operations

The group is principally engaged in the air transport of passengers on chartered flights, and any other activity linked to air transport of passengers.

2 General information and statement of compliance with IFRS

The company was incorporated on 10 December 2024 as a holding company. The registered address and principal place of business of the company is SmartCity Malta, Building SCM 01, 4th Floor, Units 401 403, SCM 1001, Ricasoli, Kalkara, Malta. The company is controlled by the shareholder Mr John B. Matthews who has the power to appoint four out of five directors.

The financial statements of the company and the consolidated financial statements of the group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union, and in accordance with the Companies Act, Cap. 386.

The financial statements are presented in euro (€), which is also the functional currency of the company and the group.

3 New or revised Standards or Interpretations

3.1 New standards adopted as at 1 January 2025

Some accounting pronouncements which have become effective from 1 January 2025 and have therefore been adopted do not have a significant impact on the Company's financial results or position.

Amendments that are effective for the first time in 2025 and could be applicable to the company are:

- Lack of Exchangeability (Amendments to IAS 21).

These amendments do not have a significant impact on these financial statements and therefore the disclosures have not been made.

3.2 Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the company

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Company and no Interpretations have been issued that are applicable and need to be taken into consideration by the Company at either reporting date.

Standards and amendments that are not yet effective and have not been adopted early by the Company include:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)
- Annual Improvements to IFRS Accounting Standards—Volume 11
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Amendments to IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. The adoption of IFRS 18 'Presentation and Disclosure in financial statements', effective for periods commencing on or after 1 January 2027, is expected to have a material impact on the presentation of the financial Statements, and therefore relevant disclosures are included below.

Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes
- the classification of all income and expenses within the statement of profit or loss in one of five categories
- a new requirement to disclose performance measures defined by management, and
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

IFRS 18 will be applied retrospectively with specific transitional provisions.

The Company is currently working to identify all of the impacts that IFRS 18 will have on the primary financial statements and notes to the financial statements.

Other new standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material

4 Material accounting policies

An entity should disclose its material accounting policies. Accounting policies are material and must be disclosed if they can be reasonably expected to influence the decisions of users of the financial statements.

Management has concluded that the disclosure of the entity's material accounting policies below are appropriate.

4.1 Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarised below and in the succeeding pages.

The accounting policies have been consistently applied by the company and the group and are consistent with those used in previous years.

The financial statements are presented in accordance with IAS1 'Presentation of Financial Statements'.

The consolidated financial statements have been prepared from the financial statements of the following companies comprising the group:

Subsidiary companies	Registered office	Ownership	Nature of business
AirX Charter Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	99.93%	Air transport of passengers on chartered flights and any other activity linked to air transport
AirX Capital plc	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Finance and investment company
AirX Finance Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Investment company
AirX CL850 I Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Ownership and Leasing of aircraft
AirX Jet Support (Malta) Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Aviation engineering services
AirX Jet Support Limited	2nd Floor 45 Grosvenor Road St Albans Hertforshire ALI 3 AW	100%	Aviation engineering services
AirX Lineage Division Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Leasing of aircraft

Subsidiary companies	Registered office	Ownership	Nature of business
AirX Aircraft Finance I Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Leasing of aircraft
AirX Aircraft Finance II Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Leasing of aircraft
AirX Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Ownership and leasing of aircraft
AirX Aircraft Finance III Limited	Smart City Malta Building SCM01, 4th Floor 401-403, Ricasoli Kalkara SCM 1001 Malta	100%	Leasing of aircraft

4.2 Presentation of financial statements

The consolidated financial statements are presented in accordance with IAS 1 *Presentation of Financial Statements* (IAS 1).

4.3 Basis of consolidation

The group financial statements consolidate those of the parent company and all of its subsidiaries as of 31 December 2025. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The subsidiaries have a reporting date of 31 December.

All transactions and balances between group companies are eliminated on consolidation, including unrealised gains and losses on transactions between group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment losses from the group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the group. The group attributes total comprehensive income or loss of subsidiaries between the owner of the parent and the non-controlling interests based on their respective ownership interests.

4.4 Business combinations

The group applies the acquisition method in accounting for business combinations. The consideration transferred by the group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

4.5 Investment in subsidiaries

Investment in subsidiaries is included in the company's statement of financial position at cost less any impairment loss that may have arisen. Income from investment is recognised only to the extent of distributions received by the company from post-acquisition profits. Distributions received in excess of such profits are regarded as a recovery of the investment and are recognised as a reduction of the cost of the investment.

At the end of each reporting period, the company reviews the carrying amount of its investment in subsidiaries to determine whether there is any indication of impairment and, if any such indication exists, the recoverable amount of the investment is estimated. An impairment loss is the amount by which the carrying amount of an investment exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. An impairment loss that has been previously recognised is reversed if the carrying amount of the investment exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the investment does not exceed the carrying amount that would have been determined if no impairment loss had been previously recognised. Impairment losses and reversals are recognised immediately in profit or loss.

4.6 Revenue recognition

Revenue for the group arises from the rendering of charter flights to its customers.

To determine whether to recognise revenue, the group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers is recognised upon completion of its charter flights to its customers at an amount that reflects the consideration to which the group expects to be entitled in exchange for those services.

The group evaluates all contractual arrangements it enters into and evaluates the nature of the promised services, and rights and obligations under the arrangement, in determining the nature of its performance obligations. Where such performance obligations are capable of being distinct and are distinct in the context of the contract, the consideration the group expects to be entitled under the arrangement is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue is recognised at an amount equal to the transaction price allocated to the specific performance obligation when it is satisfied, either at a point in time or over time, as applicable, based on the pattern of transfer of the service.

The group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position (see note 28).

Similarly, if the group satisfies a performance obligation before it receives the consideration, the group recognises either a contract asset or a receivable in its statement of financial position (see note 6), depending on whether something other than the passage of time is required before the consideration is due.

Charter flights

The group's revenue from charter flights includes international charter flight and in-flight sales to its customers. The recognition of revenue for charter flights is not complex in nature and in-flight sales are normally recognised at a point in time and together with the flight being rendered to the customer.

Charter flight revenue is recognized once the scheduled charter flight has been completed.

4.7 Interest and dividends

Interest income and expenses are reported on an accrual basis using the effective interest method. These are reported within 'finance income' and 'finance costs'.

Dividends are recognised at the time the right to receive payment is established.

4.8 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service as incurred.

Maintenance of aircraft under finance leases

Major maintenance of airframes and engines, including replacement spares and parts, labour costs and/or third-party maintenance service costs, are capitalized and amortized over the average expected life between major maintenance events. Major maintenance events typically consist of more complex inspections and servicing of the aircraft. All other routine maintenance of fleet assets are charged to operating expenses in the income statement as incurred.

Maintenance of aircraft under operating leases

Where there is a commitment to maintain aircraft held under operating lease arrangements, a provision is made during the lease term for the lease return obligations specified within those lease agreements. The provision is based upon historical experience and manufacturers' advice and, where appropriate, contractual obligations in determining the present value of the estimated future costs of major airframe inspections and engine overhauls by making appropriate charges to the income statement, calculated by reference to the number of hours or cycles operated during the year.

4.9 Borrowing costs

Borrowing costs primarily comprise interest on the group's debt securities in issue and its borrowings. Borrowing costs are expensed in the period in which they are incurred and reported within 'finance costs'.

4.10 Employee benefits

Contributions towards the state pension in accordance with local legislation are recognised in the profit or loss when they are due.

4.11 Foreign currency translation

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective group entity using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the profit or loss.

Non-monetary items are not retranslated at the year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

In the group's financial statements, all assets, liabilities and transactions of group entities with a functional currency other than the Euro are translated into Euro upon consolidation. The functional currency of the entities in the group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into Euro at the closing rate at the reporting date. Income and expenses have been translated into Euro at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

4.12 Intangible assets (including goodwill)

Intangible assets include acquired computer software and goodwill.

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is measured at cost less accumulated losses.

Computer software is accounted for using the cost model whereby capitalised cost is amortised on a straight-line basis over its estimated useful life, as this asset is considered finite. Residual values and useful life are reviewed at each reporting date.

Other intangible assets that are acquired by the group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the profit or loss as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the intangible asset, other than goodwill, from the date they are available for use. The annual rates used are as follows:

Computer software – 25%

Amortisation and costs associated with maintaining computer software are expensed as incurred and are reported in the profit or loss within ‘administrative expenses’. All intangible assets are subject to impairment testing as described in note 4.15.

4.13 Plant and equipment

Items of plant and equipment are initially recognised at acquisition cost including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the group's management. These are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost of the assets. The following useful lives are applied:

	%
Computer equipment	25
Office equipment	10
Furniture and fixtures	10
Aircraft equipment	12.5
Leasehold improvements	20
Cutlery and crockery	16.67

Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within 'other income' or 'administrative expenses'.

Depreciation has been reported in the profit or loss within 'administrative expenses'.

4.14 Leases

4.14.1 The group as a lessee

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group uses the definition of a lease in IFRS 16.

The group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of tangible assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

The group determines its incremental borrowing rate by using a bottom-up approach incorporating a reference interest rate for the relevant currency and country, a credit spread, and asset-specific adjustment as applicable to the specific lease.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments; and
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination for a lease unless the group is reasonably certain not to terminate early.
- the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

On the statement of financial position, the group has opted to disclose right-of-use assets and lease liabilities as separate financial statement line items.

Short-term leases and leases of low-value assets

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of office space that have a lease term of 12 months or less. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4.14.2 The group as a lessor

As a lessor the group classifies its lease income as operating lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of the underlying asset.

The group earns rental income from operating leases of aircraft on a short-term basis. If rental income is for more than one year, income is recognised on a straight-line basis over the term of the lease.

4.15 Impairment testing of intangible assets and plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the greater of its fair value less costs to sell and its value in use. To determine the value in use, the group's management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by the group's management.

Impairment losses are recognised immediately in profit or loss. Impairment losses for cash-generating units are charged pro rata to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge that has been recognised is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.16 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the group does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within 'finance costs', 'finance income' or 'other financial items', except for impairment of receivables which is presented within 'other expenses'.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The group's cash and cash equivalents and most other receivables fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI (the company had no debt-type financial assets at FVOCI).

The company and the group consider a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

• financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
• financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The company's and the group's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company and the group designates a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges are included within 'finance costs'. Changes in the instruments fair value that are reported in profit or loss are included within "net gain or losses attributable to fair value changes".

Derivative financial instruments are accounted for at fair value through profit or loss (FVTPL).

4.17 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Net realisable value is the estimated selling price in the ordinary course of business less an applicable selling expenses.

4.18 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax asset and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the group and company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

4.19 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at face value. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits with banks. In the statement of financial position, bank credit cards and bank overdraft are included with borrowings under current liabilities.

4.20 Equity and reserves

Share capital represents the nominal value of shares that have been issued.

Retained earnings include current period results as disclosed in the income statement less dividend distributions.

Translation reserve comprises foreign currency translation differences arising from the translation of financial statements of the group's entities denominated in foreign currencies.

4.21 Provisions and contingent liabilities

Provisions for legal disputes, onerous contracts or other claims are recognised when the group and the company have a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the group and the company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

4.22 Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of intangible and tangible assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows (see note 4.15). In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the group. The carrying amounts are analysed in notes 14, 15 and 16. Actual results, however, may vary due to technical obsolescence, particularly relating to software, computer and office equipment.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driving changes that may reduce future selling prices.

Business combinations

Management uses valuation techniques in determining the fair values of the various elements of a business combination. Particularly, the fair value of contingent consideration is dependent on the outcome of many variables including the acquirees' future profitability.

Leases

The application of IFRS 16 'Leases' leads the group to make assumptions and estimations in order to determine the value of right-of-use assets and the lease liability which mainly relates to the incremental borrowing rate for the group's leased assets, primarily consisting of aircraft, office buildings and apartments. The group also exercises its judgement on whether it is reasonably certain to exercise renewal options within its leasing contracts.

Goodwill

The group tests goodwill annually for impairment or more frequently if there are indications that goodwill or intangible might be impaired. Determining whether the carrying amounts of these assets can be realised requires an estimation of the recoverable amount of the cash generating units. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash generating units and suitable discount rate in order calculate present value.

Goodwill arising on a business combination is allocated, to the cash-generating unit('CGU') that are expected to benefit from that business combination.

Furthermore, following an in-depth review of the projections, management opted to include an execution risk premium (based on their professional judgement) to mitigate the current forecasting uncertainty and to obtain added comfort that the carrying value of the intangible assets is indeed recoverable.

The recoverable amount of the CGU is determined from the value in use calculation. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to charter prices and direct costs during the period. The directors estimate discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Changes in charter prices and direct costs are based on past practices and expectations of future changes in the market.

The assessment of recoverability of the carrying amount of goodwill and intangible assets with indefinite useful life includes:

- forecasted cash flow projections for the next three years and projection of terminal value using the perpetuity method;
- growth rates to perpetuity of 2%; and
- use of 12.12% (pre-tax) to discount the projected cash flows to net present values.

Based on the above assessment, the directors expect the carrying amount of goodwill to be recoverable.

5 Acquisitions of subsidiaries

On 31 December 2024, AirX Group Holdings Limited acquired the entire share capital of AirX Charter Limited, AirX Aircraft Finance I Limited, AirX Aircraft Finance II Limited, AirX Capital plc, AirX CL850 I Limited, AirX Finance Limited, AirX Jet Support (Malta) Limited, AirX Limited, AirX Lineage Division Limited and AirX Jet Support Limited, thereby also gaining control of these companies with effect from such date.

At the date of acquisition, the carrying amounts of the acquired companies' net assets taken over upon acquisition were as follows:

	AirX Charter Limited €	AirX Lineage Division Limited €	AirX Jet Support (Malta) Limited €	AirX Finance Limited €
Intangible assets	207,837	-	-	-
Plant and equipment	15,798,964	-	-	-
Right-of-use	37,441,287	-	-	-
Other receivable	15,878,454	4,727,185	-	3,385,896
Lease receivable	-	15,945,408	-	-
Investment in subsidiary	-	-	-	1,199
Inventories	2,330,490	-	11,493	-
Other assets	4,008,599	-	-	-
Trade and other receivables	22,750,486	-	1,578,352	-
Cash and cash equivalents	12,670,369	-	804	156
Borrowings	(27,932,844)	-	-	-
Lease liabilities	(27,813,585)	(15,945,408)	-	-
Deferred tax liability	(803,404)	-	221	-
Trade and other payables	(58,991,836)	(4,792,685)	(1,790,856)	(1,038,147)
Minority interest	-	-	-	(2,066,610)
Contract liabilities	(2,446,975)	-	-	-
Current tax liabilities	(98,978)	-	(20,930)	(476,741)
Fair value of assets and liabilities	**(7,001,136)**	**(65,500)**	**(220,916)**	**(194,247)**

	AirX Capital Plc €	AirX CL850I Limited €	AirX Aircraft Finance I Limited €	AirX Aircraft Finance II Limited €
Right-of-use	-	-	22,083,228	-
Other receivable	238,850	3,036,345	9,398,467	1,879
Lease receivable	-	-	-	2,697,217
Cash and cash equivalents	253	2,402	-	-
Borrowings	-	(402,259)	-	-
Lease liabilities	-	-	(9,122,993)	(2,697,217)
Deferred tax liability	-	-	(3,820,010)	-
Trade and other payables	(57,573)	(2,211,324)	(11,461,130)	(13,984)
Current tax liabilities	-	(229,615)	-	-
Fair value of assets and liabilities	**181,530**	**195,549**	**7,077,562**	**(12,105)**

	AirX Limited €	AirX Jet Support Limited €	AirX Jet Support Limited €	Total €
Intangible assets	-	374	-	208,211
Plant and equipment	27,917,667	288,667	-	44,005,298
Right-of-use	-	-	2,228,972	61,753,487
Other receivable	976,913	-	-	37,643,989
Lease receivable	-	-	-	18,642,625
Investment in subsidiary	-	-	-	1,199
Inventories	-	1,209,400	-	3,551,383
Other assets	-	-	-	4,008,599
Trade and other receivables	-	775,151	-	25,103,989
Cash and cash equivalents	-	6,515	-	12,680,499
Borrowings	-	-	-	(28,335,103)
Lease liabilities	-	-	(2,374,110)	(57,953,313)
Deferred tax liability	(4,212,478)	-	-	(8,835,671)
Trade and other payables	(16,859,934)	(1,605,785)	-	(98,823,254)
Minority interest	-	-	-	(2,066,610)
Contract liabilities	-	-	-	(2,446,975)
Current tax liabilities	-	-	-	(826,264)
Fair value of assets and liabilities taken	**7,822,168**	**674,322**	**(145,138)**	**8,312,089**
Consideration paid in kind				87,376,655
Goodwill				**79,064,566**

Goodwill of € 79,064,565 is primarily related to growth expectations, expected future profitability and expected cost synergies.

6 Revenue

Revenue represents the amount receivable for charter flights rendered during the year from continuing operations, net of any indirect taxes as follows:

	The group 2025 €
Charter flight revenue	180,612,783
Other	94,093
	180,706,876

Assets related to contracts with customers include amounts that the group expects to receive from performance obligations that have been satisfied before it receives the consideration and has not invoiced such amounts by the end of the year.

Other information concerning the types of contracts and contract durations, as relevant, are provided in note 4.6 and within this note.

Revenue from sales under the above activity are direct sales to customers with only a very insignificant amount being generated through a related party intermediary.

The following are the amounts recognised as contract assets at the end of the reporting periods presented:

	2025
	€
Charter flight revenues	1,514,678
	1,514,678

Contract assets arise from performance obligations which had been satisfied and the customers had not yet been billed by the end of the year. The group does not expect any loss allowances from these contract assets, as these are due from customers with no history of losses and which are considered as to be of good credit quality. The assessment of credit losses on balances at 31 December 2025 was considered by management to be insignificant.

Unsatisfied long-term performance obligations

The following aggregated amounts of transaction prices relate to the performance obligations from existing contracts that are unsatisfied or partially unsatisfied as at 31 December 2025:

	2026	Later
	€	€
Revenue expected to be recognised	9,704,800	-

7 Employee remuneration

Expenses recognised for employee benefits are analysed below:

	The group 2025
	€
Wages and salaries	26,181,037
Social security contributions	2,604,056
	28,785,093

The average number of persons employed by the group during the year was:

	The group 2025
	No.
Operations	284
Administrative	142
	426

8 Other income

Other income for the reporting year consists of the following:

	The group 2025 €
Other miscellaneous income	599,588
	599,588

9 Finance income and finance costs

Finance income and finance costs for the reporting year consist of the following:

	The group 2025 €	The company 2025 €
Finance income		
Interest charged on shareholder's loans	540,771	-
Interest on bank balances	63,751	-
Interest income on IC loans	-	3,910,795
Exchange differences	5,019,376	8,756
	5,623,898	**3,919,551**
Finance costs		
Interest expense on bank borrowings	5,553	-
Interest expense on debt securities in issue	5,004,796	5,004,796
Finance lease interest	1,663,365	-
Interest charged by third parties	2,436,607	-
Promissory note interest	322,023	-
Amortisation of bond issue costs	611,639	611,639
	10,043,983	**5,616,435**

10 Loss before tax

The loss before tax is stated after charging:

	The group 2025 €	The company 2025 €
Depreciation of plant and equipment	7,152,126	-
Depreciation of right-of-use assets	7,732,242	-
Amortisation of intangible asset	102,615	-
Directors' remuneration	2,298,063	-
Auditor's remuneration	83,000	22,000

11 Tax income (expense)

The major components of tax income (expense) and the reconciliation of the expected tax income based on the effective tax rate of the group and the company at 35% and the reported tax income in the income statement are as follows:

	The group 2025 €	The company 2025 €
Loss profit before tax	(6,495,770)	(11,733,312)
Tax rate	35%	35%
Expected tax income	**2,273,520**	**4,106,659**
Adjustment for differences in tax rates	13,039	
Adjustment for non-deductible expenses	(4,495,820)	(3,500,000)
Adjustment for fines and penalties	(196)	-
Adjustment for gain on disposal of lease	1,448,381	-
Adjustment for disallowed borrowing cost	(32,571)	(382,900)
Adjustments for deferred tax on aircraft	4,047,217	-
Adjustment for other permanent differences	138,445	(226,847)
Deferred tax not recognised	1,064,893	3,088
Actual tax income, net	**4,456,908**	**-**
Comprising:		
Deferred tax income	4,466,359	-
Current tax expense	(9,451)	-
	4,456,908	**-**

12 Dividends

No dividends were declared during the financial year ended 31 December 2025.

13 Goodwill

The group

	Goodwill €
Cost	
Additions	79,064,566
At 31 December 2025	**79,064,566**
Carrying amount	
At 31 December 2025	**79,064,566**

The goodwill was tested for impairment. The recoverable amount of goodwill was determined on the basis of forecasts prepared by management. Based on the above assessment, the directors expect the carrying amount of goodwill to be recoverable.

14 Intangible assets – the group

Intangible assets of the group comprise computer software.

The group

	Computer software €
Cost	
Taken over upon acquisition of subsidiaries	677,209
Additions	39,662
Exchange differences	(1,160)
At 31 December 2025	**715,711**
Amortisation	
Taken over upon acquisition of subsidiaries	468,998
Charge for the year	102,615
Exchange differences	(1,273)
At 31 December 2025	**570,340**
Carrying amount	
At 31 December 2025	**145,371**

All intangible assets were tested for impairment. The exercise confirmed that there was no impairment at balance sheet date.

15 Plant and equipment – the group

	Aircraft and aircraft equipment €	Computer and other equipment €	Office equipment, furniture and fixtures €	Leasehold improvement €	Plant and equipment	Motor vehicle	Cutlery and crockery €	Total €
Cost								
Taken over upon acquisition of subsidiaries	59,020,518	827,306	224,675	218,837	289,977	68,517	49,278	60,699,108
Additions	22,620,786	143,106	47,043	8,495	147,486	26,594	-	22,993,510
Additions through purchase options on leases	41,037,039	-	-	-	-	-	-	41,037,039
Revaluation	9,945,789	-	-	-	-	-	-	9,945,789
Disposals	-	-	(7,950)	-	-	-	-	(7,950)
Exchange differences	-	(1,822)	(1,006)	(8,631)	50,712	(3,337)	-	35,916
At 31 December 2025	**132,624,132**	**968,590**	**262,762**	**218,701**	**488,175**	**91,774**	**49,278**	**134,703,412**
Depreciation								
Taken over upon acquisition of subsidiaries	15,480,368	647,933	158,353	100,771	234,787	22,320	49,278	16,693,810
Charge for the year	6,935,096	101,976	20,708	41,438	30,937	21,971	-	7,152,126
Released from disposal	-	-	(1,921)	-	-	-	-	(1,921)
Exchange differences	-	1,010	(400)	(2,704)	53,134	(1,050)	-	49,990
At 31 December 2025	**22,415,464**	**750,919**	**176,740**	**139,505**	**318,858**	**43,241**	**49,278**	**23,894,005**
Carrying amount								
At 31 December 2025	**110,208,668**	**217,671**	**86,022**	**79,196**	**169,317**	**48,533**	**-**	**110,809,407**

16 Right-of-use assets – the group

The following assets have been recognised as right-of use assets of the group:

	Aircraft	Properties	Total
	€	€	€
Gross carrying amount			
Taken over upon acquisition of subsidiaries	80,901,970	5,740,192	86,642,162
Termination of leases	(49,989,794)	-	(49,989,794)
Additions	2,317,554	808,149	3,125,703
Exchange difference	(3,326,822)	-	(3,326,822)
At 31 December 2025	**29,902,908**	**6,548,341**	**36,451,249**
Depreciation			
Taken over upon acquisition of subsidiaries	21,476,653	3,412,022	24,888,675
Provision for the year	6,911,910	820,332	7,732,242
Termination of leases	(8,952,755)	-	(8,952,755)
Exchange differences	(809,325)	-	(809,325)
At 31 December 2025	**18,626,483**	**4,232,354**	**22,858,837**
Carrying amount			
At 31 December 2025	**11,276,425**	**2,315,987**	**13,592,412**

The depreciation charge on right-of-use assets was included in administrative expenses

The group has elected to disclose right-of-use assets separately in these financial statements. The information pertaining to the gross carrying amount, depreciation recognised during the year and other movements in right-of-use assets is included in the above table. Information pertaining to lease liabilities and their corresponding maturities are disclosed separately in note 26. Information about the accounting policy for the measurement and recognition of leases is disclosed in note 4.14.

The group has applied the incremental borrowing rate to lease liabilities recognised under IFRS 16 on a lease-by-lease basis. The rate applied for both aircraft and properties is 5.5%. The incremental borrowing rate will be re-assessed every time a new lease is entered into by the group and the corresponding right-of-use asset recognised. New leases are assessed on a case-by-case basis.

In September 2025, utilising the bond proceeds, the group acquired six aircraft that were previously held as right-of-use assets. The leases on such aircraft were terminated and have been subsequently transferred to plant and equipment, resulting in a net re-classification adjustment of € 41,037,039.

17 Deferred tax liability

Deferred taxes arising from temporary differences can be summarised as follows:

The Group

	Taken over upon acquisition of subsidiaries €	Recognised in income statement €	Recognised through other comprehensive income €	31 December 2025 €
Non-current asset				
Intangible assets	(46,015)	13,586	-	(32,429)
Plant and equipment	(5,144,628)	(204,678)	(1,018,042)	(6,367,348)
Leases	(5,263,335)	2,174,875	(126,146)	(3,214,606)
Trade receivables	137,365	32,254	-	169,619
Unrealised difference on exchange	1,777,446	(71,806)	-	1,705,640
Right-of-use asset	(3,820,011)	4,439,885	13,253	633,127
Group losses carried forward	142	152,490	-	152,632
Unabsorbed tax losses and capital allowances	3,523,365	(2,070,249)	-	1,453,116
Total	**(8,835,671)**	**4,466,357**	**(1,130,935)**	**(5,500,249)**

18 Investment in subsidiaries

	The company 2025 €
Investment in equity instruments	
Acquisition of subsidiaries	87,569,541

The company has an unquoted investment in the following subsidiaries:

On 31 December 2024, the company acquired all of the investments previously held by its' parent, AirX Charter Holdings Limited. Following such transfer, AirX Group Holdings Limited became the intermediate holding company, holding directly all shares in the subsidiaries of the AirX group.

Name	Description of shares held	Nature of business	Ownership
AirX Charter Limited	1,500 ordinary shares of €1 each	Air transport of passengers and cargo on chartered flights, and any other activity linked to air transport	99.93%
AirX Capital plc	250,000 ordinary shares of € 1 each	Finance and investment company	100%
AirX Finance Limited	1,200 ordinary shares of € 1 each	Investment company	100%
AirX CL850 I Limited	1,200 ordinary shares of € 1 each (1,199 held by AirX Finance Limited and 1 share held by AirX Charter Holding Limited)	Ownership and Leasing of aircraft	100%

AirX Jet Support (Malta) Limited	1,165 ordinary shares of € 1 each	Support services	100%
AirX Jet Support Limited	1,000 ordinary shares of £ 0.10 each	Aviation engineering services	100%
AirX Lineage Division Limited	1,400 ordinary shares of USD 1 each	Leasing of aircraft	100%
AirX Aircraft Finance I Limited	1,400 ordinary shares of USD 1 each	Leasing of aircraft	100%
AirX Aircraft Finance II Limited	1,400 ordinary shares of USD 1 each	Leasing of aircraft	100%
AirX Limited	1,400 ordinary shares of € 1 each	Ownership and leasing of aircraft	100%
AirX Aircraft Finance III Limited	1,165 ordinary shares of € 1 each	Ownership and leasing of aircraft	100%

19 Inventories

Inventories consist of the following:

	The group 2025 €	The company 2025 €
Aircraft parts and supplies	**4,620,894**	**-**

20 Other assets

	The group 2025 €
Prepayments	4,123,844
	4,123,844

Prepayments comprise an amount of € 1,368,510 representing maintenance prepayments on aircraft used by the group. Other prepayments consist mainly of rent, licenses and insurance premiums paid in advance for subsequent periods.

21 Trade and other receivables

Trade and other receivables consist of the following:

	The group 2025 €	The company 2025 €
Trade receivables	2,159,107	-
Amounts due from shareholders	1,399,901	-
Amount due from ultimate parent company	267,828	267,828
Amounts due from subsidiaries	-	90,286,743
Other debtors and advance payments	11,717,570	1,165
Security deposits	2,576,471	-
Financial assets	**18,120,877**	**90,555,736**
VAT refundable	702,647	-
Tax refundable	596	-
Trade and other receivables	**18,824,120**	**90,555,736**
Comprising:		
Non-current receivables		
Other receivables	-	90,286,743
	-	**90,286,743**
Current receivables		
Trade and other receivables	18,824,120	268,993
	18,824,120	**268,993**

All amounts are short-term. The carrying value of short-term loans and receivables is considered a reasonable approximation of fair value. The carrying value of long-term loans and receivables is not materially different from their carrying amounts.

The amounts due from shareholders are unsecured and interest-free. This amount represents receivables on equity due from shareholders, charter flights rendered to the shareholder and shareholder expenses settled by the company. The directors have considered the recoverability of these amounts and deem that they are fully recoverable from the shareholders.

The amounts owed from subsidiary companies bear interest at 14.31% per annum and have no fixed date of repayment.

Other short-term debtors of the group comprise of amounts due from a third party on aircraft managed by the group amounting to € 4,538,774 and further amounts paid in advance to suppliers for upcoming maintenance on aircraft and other services amounting to € 7,178,796.

Deposits include security deposits given to lessors in relation to the lease of aircraft and properties being rented (see note 26).

Trade receivables are stated net of a provision of € 498,700. In addition, a total accumulated provision amounting to € 16,873,357 (taken over on acquisition of subsidiary: € 11,915,909) has been made in AirX Charter Limited, a subsidiary of the group, on amounts due by one of its shareholders. Refer to note 32.2 for further information pertaining to such provision.

22 Cash and cash equivalents

Cash and cash equivalents include the following component:

	The group 2025 €	The company 2025 €
Cash and bank balances	33,133,665	-
Credit cards	532,859	-
Cash and cash equivalents in the statements of financial position and the statements of cash flows	**33,666,524**	**-**
Restricted cash in the statement of financial position	**13,193,237**	**13,193,237**

The group and the company have restrictions on its cash at bank as at the end of the reporting period for a total amount of € 13,193,237. This restricted cash comprises cash in escrow that can only be used for the purchase of aircraft. Except for this amount which cannot be used for the company's or the group's ordinary course of business, there were no further restrictions on the company and group's cash and cash equivalents.

Included with cash and cash balances at 31 December 2025 were US$ 8,000,000 (€6,806,773), representing funds transferred from escrow with the intention to acquire an aircraft. The acquisition did not proceed, and on 27 February 2026 the funds were transferred back to the escrow account.

23 Share capital

The share capital of AirX Group Holdings Limited consists of ordinary shares with a par value of € 1 each. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the company.

	2025 €
Shares issued and fully paid up at 31 December	
259,329,920 ordinary A shares of € 0.001 each	259,330
1 ordinary B share of € 0.001 each	-
	259,330
Shares authorised at 31 December	
29,999,999,999 ordinary A shares of € 0.001 each	30,000,000
1 ordinary B share of € 0.001 each	-
	30,000,000

Upon incorporation of the company on 10 December 2024, the ordinary share capital comprised of 1,165 ordinary shares of €1 each, fully paid up.

Subsequently, on 31 December 2024 the shareholders resolved to increase the share capital from 1,165 ordinary shares of €1 each to 259,329,920 ordinary shares having a nominal value of €0.001 each, with a premium of €0.3382 each. This increase was effected by way of capitalisation of a shareholder's loan.

The authorised share capital was also increased to 30,000,000,000 ordinary shares of € 0.001 each.

A further increase of the company's share capital was affected on 4 September 2025 through the issue of 1 ordinary B share of €0.001, fully paid up. On the same day, the company ceased to be a single member company with the authorised share capital further split into 29,999,999,999 ordinary 'A' shares and 1 ordinary 'B' share, each having a nominal value of € 0.001.

On 15 September 2025, AirX Group Holdings Ltd granted a first-ranking pledge over all its shares to the bond trustee and security agent, Nordic Trustee AS.

24 Debt securities in issue

	The group 2025 €	The company 2025 €
Non-current liabilities		
13% Senior Secured Bonds 25/28	109,303,449	109,303,449
	109,303,449	**109,303,449**

In September 2025, the company issued a € 115,000,000 13% secured bond.

Interest on the bond is due and payable semi-annually on 12 March and 12 September of each year.

The carrying amount of the bond is net of direct issue costs of € 5,696,551 which are being amortised over the life of the bond.

25 Borrowings

	The group 2025 €
Borrowings	
Taken over upon acquisition of subsidiaries	28,335,103
Loan drawdown	5,133,470
Interest charged	2,367,872
Early repayment penalties	4,846,265
Exchange differences	(3,082,489)
Settlement of borrowings	(37,600,221)
At 31 December 2025	-

The carrying amounts of borrowings is considered a reasonable approximation of fair value.

The Group had five loans with a third party, used to finance the acquisition of aircraft. These loans carried interest rates ranging from 4.5% to 15% and had maturities of between five and eight years. Four of the loans included early repayment clauses, resulting in total penalties of €4,846,265. Following the bond issuance, the group fully repaid all outstanding debt, including the settlement of the related early repayment penalties.

26 Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	The group 2025 €
Current:	
Lease liability	6,024,697
Non-current:	
Lease liability	5,579,440
	11,604,137

The group has leases for its aircraft and offices and apartments. With the exception of short-term leases, each lease is included in the statement of financial position as a right-of-use asset and a lease liability.

The group has lease contracts for three Lineage 1000. The Incremental Borrowing Rate (IBR) has been estimated for each lease previously held as operating lease, to determine the discount rate applied and are within the range of 5.5%. The duration of all lease contracts ranges from 70 to 72 months.

The group also has lease contracts for office space in Malta and a hangar in United Kingdom. The duration of these leases excluding those classified as short term, ranges between 84 and 120 months. The group determined the IBR on property leases of 5.5%.

Security deposits given relating to the lease of aircraft and properties amounted to € 1,243,664 and are included with deposits in trade and other receivables.

Each lease generally imposes a restriction that, unless there is a contractual right for the group to sublet the asset to another party, the right-of-use asset can only be used by the group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to to extend the lease for a further term. The group is prohibited from selling or pledging the underlying leased assets as security. For leases over offices and apartments, the group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the group must insure its leased assets and incur maintenance fees on such items in accordance with the lease contracts.

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2025 were as follows:

	Minimum lease payments			
	Not later than 1 Year €	Later than one year but not later than five years €	Later than five years €	Total €
31 December 2025				
Lease payments	6,508,459	5,960,766	-	12,469,225
Finance charges	(483,762)	(381,326)	-	(865,088)
Net present values	**6,024,697**	**5,579,440**	**-**	**11,604,137**

Lease payments not recognised as a liability

The group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The group did not have any leases classified as short term leases during the current accounting period.

At 31 December 2025, the group had no commitments to short-term leases.

Total cash outflow for leases for the year ended 31 December 2025 was € 12,918,639.

27 Trade and other payables

Trade and other payables consist of the following:

	The group 2025 €	The company 2025 €
Trade payables	13,451,567	1,150,000
Accrued expenses	21,319,029	22,875
Accrued interest on debt securities in issue	5,004,796	5,004,796
Financial liabilities	**39,775,392**	**6,177,671**
Other creditors	5,757,049	-
Payroll tax and social security contributions	8,977,570	-
Trade and other payables	**54,510,011**	**6,177,671**
Comprising:		
Non-current payables		
Trade and other payables	4,781,108	-
	4,781,108	**-**
Current payables		
Trade and other payables	49,728,903	6,177,671
	49,728,903	**6,177,671**

During 2025, the group settled promissory notes amounting to € 4,266,940 due to a third-party lessor, in full and final settlement. Upon settlement of these promissory notes, the group received a credit note amounting to € 1,689,783. No further amounts are due by the group on promissory notes a t 31 December 2025.

Also included with the non-current portion of payables are amounts of € 4,781,108 representing payroll tax and social security contributions payable after more than twelve months in accordance with an agreement entered into with the Commissioner for Revenue.

The carrying values of financial liabilities are considered to be a reasonable approximation of fair value.

28 Contract liabilities

	The group 2025 €
Deferred service income on charter flight revenue	2,088,543
	2,088,543

Deferred service income represents customer payments received or due in advance of performance (contract liabilities) are expected to be recognised as revenue in the following accounting period. As described in note 4.6, the group provides international charter flights and in-flight services to its customers and revenue recognition is not complex in nature.

The amounts recognised as a contract liability will generally be utilised within the next reporting period.

29 Cash flow adjustments and changes in working capital

The following non-cash flow adjustments and adjustments for changes in working capital have been made to profit before tax to arrive at operating cash flow:

	The group 2025 €	The company 2025 €
Adjustments:		
Amortisation of intangible assets	102,615	-
Depreciation of plant and equipment	7,152,126	-
Depreciation of right-of-use assets	7,732,242	-
Interest expense on borrowings	2,442,160	-
Interest expense on bonds	5,004,796	5,004,796
Finance lease interest	1,663,365	-
Interest expense on promissory notes	322,023	-
Interest income	(604,522)	(3,910,795)
Change in allowance on trade receivables	92,660	-
Unrealised difference on exchange	(1,679,146)	(8,823)
Loss on disposal of plant and equipment	6,029	-
Amortisation of bond issue costs	611,639	611,639
Allowance for shareholder's receivable	4,957,448	-
Impairment on advance to parent company	10,000,000	10,000,000
Penalties for early repayment of borrowings	4,846,265	-
Amounts waived on promissory notes	(1,689,783)	-
	40,959,917	**11,696,817**
Working capital:		
Inventories	(1,069,511)	-
Change in contract assets	(1,514,678)	-
Change in trade and other receivables	13,071,554	-
Change in contract liabilities	(358,432)	-
Change in trade and other payables	(21,610,078)	1,172,875
	(11,481,145)	**1,172,875**

30 Reconciliation of liabilities arising from financing activities

The table below details changes in the group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated Statement of Cash Flows as cash from financing activities.

The group	Notes	Taken over upon acquisition of subsidiaries	Cash flows	Other non-cash changes	Balance at 31 December 2023
		€	€	€	€
Debt securities in issue	24	-	108,691,810	611,639	109,303,449
Borrowings	25	28,335,103	(32,466,751)	4,131,648	-
Leases	26	39,310,688	(27,273,182)	(433,369)	11,604,137
		67,645,791	**48,951,877**	**4,309,918**	**120,907,586**

During 2025, the group recognised additional lease liabilities amounting to € 3,125,703. Total cash payments made on leases during the year amounted to € 27,273,182 (inclusive of interest). The interest expense during the year amounted to € 1,663,365. In addition, the group had other non-cash movements amounting to € 433,369. During the year, security deposits amounting to € 1,712,760 were set off against lease liabilities upon the termination and early repayment option on certain aircraft acquired by the group. A remeasurement of leases was also recorded amounting to € 1,651,532. Unrealised exchange gains amounting to € 1,858,145 were further recorded on leases. The interest together with the additions less the security deposits applied on the early repayments, the remeasurement of leases and the unrealised gains made during the year represent the non-cash movements of € 433,369 presented above for leases.

The leases taken over upon acquisition of subsidiaries of € 39,310,688 comprises the gross leases taken over from subsidiaries amounting to € 57,953,313 (including intra-group lease payables of € 18,642,625) less the amount of intra-group lease receivables of € 18,642,625 that were eliminated upon group consolidation.

The non-cash movement on debt securities in issue pertains to the amortisation of bond issue costs amounting to € 611,639. The cash received of € 108,691,810 on the issue of the total amount of debt securities of € 115,000,000 is net of bond issue costs amounting to € 6,308,190.

The non-cash movement on borrowings pertains to penalties incurred on early settlement of € 4,846,265, the interest expense for the year of € 2,367,872, less the exchange differences amounting to € 3,082,489.

31 Related party transactions

The group's related parties include its ultimate parent company, subsidiary companies, companies under common control and key management personnel as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantee was given or received. Transactions with related parties are generally effected on a cost-plus basis. Outstanding balances are usually settled in cash.

Amounts owed by shareholders and related companies are disclosed in note 21 in these financial statements.

31.1 Transactions with shareholders

	The group 2025
	€
Charter flights to shareholders	90,000
Expenses paid on behalf of shareholders (notes 21 and 32.2)	4,957,448

32 Financial instrument risk

Risk management objectives and policies

The group is exposed to various risks in relation to financial instruments. The group's financial assets and liabilities by category are summarised in note 32.4. The main types of risks are market risk, credit risk and liquidity risk.

The group's risk management is coordinated by the directors and focuses on actively securing the group's short to medium term cash flows by minimising the exposure to financial risks.

32.1 Market risk analysis

Foreign currency risk

During 2025 most of the group's transactions were carried out mainly in euro (€). Nevertheless, the group also transacted in the United States Dollar (USD), the British Pound Sterling (GBP) and Canadian dollars (CDN). Most of the group's revenues are generated in euro. Exposures to currency exchange rates arise from the group's operating business particularly in view of fuel purchases, aircraft operating leases and maintenance costs, which are primarily executed in US dollar. Certain other financial assets and liabilities were also denominated in the British Pound at the end of the current year. The group had also other expenses denominated in other currencies but the amount of financial assets and financial liabilities in such other currencies is not considered to be significant.

The group does not enter into forward exchange contracts to mitigate the exposure to foreign currency risk on the group's USD and GBP transactions.

In respect of fuel purchases, the group settles its expenses immediately upon the delivery of the fuel onto the aircraft by the supplier. Since fuel purchases are made in the USD, any differences on exchange are realised immediately upon delivery.

In addition to the exposure of the group on fuel purchases as mentioned above, the group is also exposed to payments made for aircraft operating leases and maintenance costs denominated in USD.

During the year, foreign currency denominated financial assets and liabilities, translated into euro at the closing rate, are as follows:

The Group	**2025 €**	
Nominal amounts	**USD**	**GBP**
Financial assets	11,155,015	751,546
Financial liabilities	(12,458,751)	(2,136,251)
Short-term exposure	**(1,303,736)**	**(1,384,705)**

The following table illustrates the sensitivity of the net result for the period in regard to the group's financial assets and liabilities and the USD/euro exchange rate.

The following table assumes a +/- 13% and +/- 5% shift in the USD/euro and the GBP/euro exchange rate at year end respectively. This percentage has been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the group's foreign currency financial instruments held at the end of the reporting period.

If the euro had strengthened or weakened against the USD by 13% and against the GBP by 5% , then this would have had the following impact on the net result for the year:

	2025 €	
	USD	GBP
Net result for the year	+/- 170,795	+/- 72,510

Exposures to foreign exchange rates vary during the year depending on the volume of transactions in foreign currencies. Nonetheless, the analysis above is considered to be representative of the group's and company's exposure to currency risk.

Interest rate risk

The group is not exposed to interest rate risk as it does not have borrowings with variable interest rates.

32.2 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the group or the company. The group and the company is exposed to this risk for various financial instruments, for example by granting loans and receivables, placing deposits, etc. The group's and company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	Notes	The group 2025 €	The company 2025 €
Classes of financial assets – carrying amounts:			
Contract assets	6	1,514,678	-
Trade and other receivables	21	18,120,877	90,555,736
Cash and cash equivalents	22	46,859,761	13,193,237
		66,495,316	**103,748,973**

Charter flight sales made to third parties takes place via broker agencies. The creditworthiness of the brokers is reviewed, and defaults are continuously monitored. Management incorporates this information into its credit risk controls. The group's policy is to deal only with creditworthy counterparties.

Trade and other receivables comprise amounts due from related parties. The group considers the credit risk arising from these receivables to be limited as there were no indications that these counterparties are unable to meet their obligations. Management considers these to be of good credit quality. Management does not consider related parties to have deteriorated in credit quality and the effect of management's estimate of the 12-month credit loss has been determined to be insignificant to the results of the group.

The group and the company have significant amounts receivable from shareholders and from companies within the group of which the company is the parent. The group currently has € 1,399,901 receivable from its shareholders.

During the current year, AirX Charter Limited, a subsidiary within the group, made a further provision for other amounts receivable from a shareholder amounting to € 4,957,448. This amount has been disclosed separately in the statement of comprehensive income of the group for the current year. Following such provisions, the amount advanced during the year and due from the shareholder has been fully impaired as at 31 December 2025. The group assessed the recoverability of these amounts and determined that the balances owed by the shareholder are not likely to be settled within one year of signing these financial statements. Since recoverability is not likely in the foreseeable future, management deemed a provision for the full amount until any future recoverability event crystallises, to be the most prudent approach.

The company also has amounts of € 90,286,743 receivable from subsidiary companies within the group. The directors consider that the remaining amounts due from related companies and shareholders have not suffered any deterioration in credit quality and are fully recoverable. The directors have assessed the recoverability of such amounts and considered these not to be impaired.

In addition to the above, during the year the company advanced an amount of € 10,000,000 to its ultimate parent for the purpose of a settlement of an amount due to two shareholders of the ultimate parent. This amount is not expected to be recovered and as a result, has been fully impaired.

The group and the company hold money exclusively with institutions having high quality external credit ratings. The cash and cash equivalents held with such banks at 31 December 2025 are callable on demand. The banks with whom most of the Group's cash and cash equivalents are held form part of international groups with an A+ credit ratings by Standard and Poor's and similar high ratings by other agencies. The group also holds cash with a local bank having a credit rating of BBB+ by Standard and Poor's. Cash held by the group with other international banks for which no credit rating is available are not significant. Management considers the probability of default from such banks to be close to zero and the amount calculated using the 12-month expected credit loss model to be very insignificant. Therefore, based on the above, no loss allowance has been recognised by the company.

The company assesses the credit quality of its customers by taking into account their financial standing, past experience and other factors, such as bank references and the customers' financial position.

Individual risk limits are set in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Each new individual customer is analysed individually for creditworthiness before the group's standard payment terms and conditions are offered. Customers that fail to meet the group's benchmark creditworthiness may transact with the group only on a prepayment basis.

The group's policy is to deal only with credit worthy counterparties. The credit terms are generally for one week. The credit terms as negotiated with customers are subject to an internal approval process as abovementioned. The ongoing credit risk is managed through regular review of ageing analysis, together with credit limits per customer.

Trade receivables consist of a large number of customers from various countries.

Security

The group does not hold any security on the trade receivable balances.

In addition, the group does not hold collateral relating to other financial assets (e.g. derivative assets, cash and cash equivalents held with banks).

Trade receivables

The group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to certain other customer characteristics.

The expected loss rates are based on the payment profile for sales over the past 36 months before 31 December 2025 as well as the corresponding historical credit losses during that period. Information on historical payment profiles and credit losses prior to the incorporation of the group has been obtained from the subsidiaries in view that these have been trading under the AirX group well prior to the incorporation of AirX Group Holdings Ltd.

The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The group has identified gross domestic product (GDP) and the relevant industry in which the customers operate to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 365 days from the invoice date and failure to engage with the group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

On the above basis the expected credit loss for trade receivables as at 31 December 2025 was determined as follows:

31 December 2025	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected credit loss rate (%)	0.39%	13%	17%	20%	
Gross carrying amount (€)	104,835	69,390	51,395	2,432,187	2,657,807
Lifetime expected credit loss	419	9,021	8,737	480,523	498,700

The group continuously monitors its credit control function to minimise actual impairments. Management expects the rates used at 31 December 2025 to be reasonable for its business.

The closing balance of the of the group's trade receivables loss allowance as at 31 December 2025 reconciles with the group's trade receivables loss allowance opening balance as follows:

	2025 €
Loss allowance taken over upon acquisition of subsidiaries	406,040
Loss allowance recognised during the year	92,660
Loss allowance as at 31 December	**498,700**

32.3 Liquidity risk

The group's exposure to liquidity risk arises from its obligations to meet its financial liabilities, which comprise debt securities in issue, borrowings, lease liabilities and trade and other payables (see notes 24, 25, 26 and 27). Prudent liquidity risk management includes maintaining sufficient cash to ensure the availability of an adequate amount of funding to meet the group's obligations when they become due.

The group manages its liquidity needs through yearly cash flow forecasts by carefully monitoring expected cash inflows and outflows on a daily basis. The group's liquidity risk is not deemed to be significant in view of the matching of cash inflows and outflows arising from expected maturities of financial instruments.

As at 31 December 2025, the group's financial liabilities have contractual maturities as summarised below.

	Current Within 1 year €	Non-current 2 to 5 years €	Later than 5 years
Debt securities in issue	-	109,303,449	-
Lease liabilities	6,024,697	5,579,440	-
Trade and other payables	39,775,392	-	-
	45,800,089	**114,882,889**	**-**

32.4 Summary of financial assets and liabilities by category

Note 4.16 provides a description of each category of financial assets and liabilities and related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Notes	The group 2025 €	The company 2025 €
Non-current assets			
Loans and receivables:			
- Trade and other receivables	21	-	90,286,743
		-	**90,286,743**
Current assets			
Loans and receivables:			
- Contract assets	6	1,514,678	-
- Trade and other receivables	21	18,120,877	268,993
- Cash and cash equivalents	22	46,859,761	13,193,237
		66,495,316	**13,462,230**
Non-current liabilities			
Financial liabilities measured at amortised cost			
- Lease liabilities	26	5,579,440	-
- Debt securities in issue	24	109,303,449	109,303,449
		114,882,889	**109,303,449**
Current liabilities			
Financial liabilities measured at amortised cost:			
- Lease liabilities	26	6,024,697	-
- Trade and other payables	27	39,775,392	6,177,671
		45,800,089	**6,177,671**

33 Commitments

At 31 December 2025, the group had no outstanding capital or other commitments.

34 Contingent liabilities

On 15 April 2024 the company's parent, AirX Charter Holding Limited and one of its subsidiaries AirX Charter Limited, its directors and other company officials/employees became defendants in a legal action involving a competitor in the private aviation industry who is claiming "at least € 386 million" in damages. AirX entities, directors, officials and employees are currently contesting the claims in their entirety, as unfounded in fact and at law. The claims made by the third party are as yet unsubstantiated.

On 24 May 2024 a number of garnishee orders were issued against the defendants, including garnishee orders against AirX Charter Holding Limited and AirX Charter Limited in the amount of €3 million against each company and a garnishee order against the shares held by the Chairman, John B. Matthews in the amount of €5 million.

On 6 August the garnishee orders against the company officials/employees were reduced by the Court, some of which were paid off by AirX.

AirX Charter Holding Limited and AirX Charter Limited have ongoing legal action against the same third party, for damages caused to the group through this unfounded claim. A number of garnishee orders and warrants of seizure were issued against the third party.

At the end of the current reporting period ended 31 December 2025, AirX Group Holding Limited and the group did not recognise any contingent liabilities since the claim on this pending lawsuit is not expected to materialise.

35 Capital management policies and procedures

The group's capital management objectives are to ensure its ability to continue as a going concern and to provide an adequate return to shareholders and benefits to other stakeholders by pricing products commensurately with the level of risk, and maintaining an optimal capital structure to reduce the cost of capital.

36 Post reporting date events

No other adjusting or significant non-adjusting events have occurred between the end of the reporting period and the date of authorisation by the board.

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Independent auditor's report

To the shareholders of AirX Group Holdings Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AirX Group Holdings Ltd ('the company') and the consolidated financial statements of its group set out on pages 6 to 52 which comprise of financial position of the company and the group as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company and the group as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), and have been properly prepared in accordance with the requirements of the Companies Act, Cap. 386 ('the Act).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act, Cap. 281 that are relevant to our audit of the financial statements in Malta. 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.

Other information

The directors are responsible for the other information. The other information comprises the Chairman's report shown on pages 2 and 3 and the Directors' report shown on pages 4 and 5, which we obtained prior to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

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In connection with our audit of the financial statements, 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.

With respect to the directors' report, we also considered whether the directors' report includes the disclosures required by Article 177 of the Act.

Based on the work we have performed, in our opinion:

- The information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the directors' report has been prepared in accordance with the Act.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS as adopted by the EU and are properly prepared in accordance with the provisions of the Act, and for such internal control as the directors 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 relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

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 ISA 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.

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As part of an audit in accordance with the ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Report on other legal and regulatory requirements

We also have responsibilities under the Companies Act, Cap. 386 to report to you if, in our opinion:

- adequate accounting records have not been kept
- the financial statements are not in agreement with the accounting records.
- we have not received all the information and explanations we require for our audit.

We have nothing to report to you in respect of these responsibilities.

The Principal on the audit resulting in this independent auditor's report is Alex Brincat.

Alex Brincat (Principal) for and on behalf of

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29 April 2026