FIRST SUPPLEMENT DATED 14 JUNE 2021 TO THE BASE PROSPECTUS DATED 7 JANUARY 2021

DAE FUNDING LLC

(incorporated in the State of Delaware as a limited liability company)

Global Medium Term Note Program

unconditionally and irrevocably guaranteed by

DUBAI AEROSPACE ENTERPRISE (DAE) LTD

(incorporated in the Dubai International Financial Centre as a private company limited by shares)

This supplement (the "**Supplement**") is supplemental to, forms part of, and must be read and construed in conjunction with, the base prospectus dated 7 January 2021 (the "**Base Prospectus**") prepared by DAE Funding LLC (the "**Issuer**") and Dubai Aerospace Enterprise (DAE) Ltd ("**DAE**" or the "**Guarantor**") in connection with the Issuer's Global Medium Term Note Program (the "**Program**") for the issuance of notes ("**Notes**") unconditionally and irrevocably guaranteed by the Guarantor. Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement complies with the requirements of Part 2 of the Markets Law (DIFC Law No. 1 of 2012) (the "**Markets Law**") and Chapter 2 of the Markets Rules (the "**Markets Rules**") of the Dubai Financial Services Authority (the "**DFSA**"). This Supplement has been approved by the DFSA under Rule 2.6 of the Markets Rules and is an Approved Prospectus for the purposes of Article 14 of the Markets Law. The DFSA does not accept any responsibility for the content of the information included in this Supplement, including the accuracy or completeness of such information. The liability for the content of this Supplement lies with the Issuer and the Guarantor. The DFSA has also not assessed the suitability of the Notes to which this Supplement relates to any particular investor or type of investor.

If you do not understand the contents of this Supplement or are unsure whether the Notes to which this Supplement relates are suitable for your individual investment objectives and circumstances, you should consult an authorized financial adviser.

The purpose of this Supplement is to: (a) amend the Base Prospectus in order to reflect the removal of the Program limit (as defined below); (b) amend the information under the heading "*Risk Factors*" in the Base Prospectus to include new risk factors in respect of SOFR (as defined below) and to update certain information in respect of the Group; (c) incorporate by reference into the Base Prospectus the audited consolidated financial statements of the Guarantor as at and for the year ended 31 December 2020 together with the independent auditor's report thereon; (d) incorporate by reference into the Base Prospectus the unaudited condensed consolidated interim financial statements of the Guarantor as at and for the three month period ended 31 March 2021 together with the independent auditor's review report thereon; (e) amend the terms under the headings "*Applicable Final Terms*" and "*Terms and Conditions of the Notes*", in each case, to reflect and provide for SOFR as an additional Reference Rate by reference to which amounts payable under Floating Rate Notes may be calculated; (f) update the information under the headings "*Capitalization*", "*Selected Financial*

Information" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" in the Base Prospectus to disclose certain material developments in respect of the Group; and (g) update the "Significant or Material Change" statement in the Base Prospectus.

IMPORTANT NOTICES

The Issuer and the Guarantor accept responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Information which is updated by reference to one section of the Base Prospectus may be repeated or referred to in other sections of that document. Accordingly, to the extent that there is any inconsistency between: (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement; and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant change in, or a material mistake or inaccuracy affecting any matter contained in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

Copies of this Supplement and the Base Prospectus are available for viewing on the website of Nasdaq Dubai at *http://www.nasdaqdubai.com* and during normal business hours at the specified office of the Fiscal Agent at HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom.

This Supplement does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

AMENDMENTS OR ADDITIONS TO THE BASE PROSPECTUS

With effect from the date of this Supplement, the information appearing in, or incorporated by reference into, the Base Prospectus shall be amended and/or supplemented in the manner described below.

REMOVAL OF THE PROGRAM LIMIT

Pursuant to the Program Agreement dated 7 January 2021 relating to the Program (the "**Program Agreement**"), the U.S.$2,500,000,000 limit in respect of the maximum aggregate principal amount of Notes issued under the Program that may be outstanding at any one time (the "**Program Limit**") has been removed. With effect from the date of this Supplement, all references in the Base Prospectus to the Program Limit of U.S.$2,500,000,000 shall be deemed to be deleted.

AMENDMENTS TO RISK FACTORS

The first paragraph under the heading "*Risk Factors—Risks Related to the Group's Business and Industry—The Group depends on the availability of credit, and an unexpected increase in the Group's borrowing costs may materially adversely affect the Group*" appearing on page 10 of the Base Prospectus is deleted and replaced by the following:

> "As at 31 March 2021, the Group's loans and borrowings (net of debt issuance costs) amounted to U.S.$8,473.0 million. As this indebtedness becomes due, the Group will be required either (i) to refinance it by entering into new financings, which could result in higher borrowing costs and financings on less favorable terms, or (ii) to repay it using cash on hand or cash from the sale of its assets. In addition, an increase in interest rates under the Group's debt financing facilities would have an adverse effect on its profit and could make certain aircraft leasing contracts unprofitable. For example, a sensitivity analysis in the 2020 Financial Statements indicates that if interest rates on the Group's outstanding debt as at 31 December 2020 had been 1 per cent. higher with all other variables held constant, the Group's post-tax profit for 2020 would have been U.S.$22.5 million lower, mainly as a result of higher interest expense on floating rate debt, including the effect of the interest rate swaps."

The information under the heading "*Risk Factors—Risks Related to the Group's Business and Industry—A portion of the Group's loans and borrowings are secured which reduces the assets of the Group available to its unsecured creditors in the event of DAE's insolvency*" appearing on page 11 of the Base Prospectus is deleted and replaced by the following:

> "As at 31 March 2021, the Group's secured loans and borrowings (before debt issuance costs) amounted to U.S.$2,899.7 million, or 33.8 per cent. of its total loans and borrowings (before debt issuance costs) at the same date. The principal security for the Group's borrowings is aircraft owned by the Group. As at 31 March 2021, 110 aircraft with a net book value of U.S.$4,802.2 million were used as collateral for the Group's secured borrowings. As a result, holders of the Group's secured debt will have a priority right to these secured assets in the event of DAE's insolvency."

The following additional risk factors are included after the risk factor entitled "*The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing* *such "benchmarks"*" under the heading "*Risk Factors—Risks related to the Notes*" appearing on page 24 of the Base Prospectus:

"***The market continues to develop in relation to SOFR as a reference rate for Floating Rate Notes***

Investors should be aware that the market continues to develop in relation to the Secured Overnight Financing Rate ("**SOFR**") as a reference rate in the capital markets and its adoption as an alternative to U.S. Dollar LIBOR. In particular, market participants and relevant working groups are exploring alternative reference rates based on SOFR, including term SOFR reference rate (which seeks to measure the market's forward expectation of an average SOFR rate over a designated term) or different measures of such an alternative reference rate. For example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Index. The continued development of SOFR as an interest reference rate for the Eurobond markets, as well as the continued development of SOFR based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes.

The use of SOFR as a reference rate for Eurobonds continues to develop both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing SOFR. In particular, investors should be aware that several different SOFR methodologies have been used in SOFR linked notes issued to date and no assurance can be given that any particular methodology, including the compounding formula in the Conditions, will gain widespread market acceptance.

The market or a significant part thereof may adopt an application of SOFR that differs significantly from that set out in the Conditions and used in relation to the Notes that reference SOFR under this Base Prospectus. Furthermore, the Issuer may in future issue Notes referencing SOFR that differ materially in terms of interest determination when compared with the Notes. In addition, the manner of adoption or application of SOFR reference rates in the Eurobond markets may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing SOFR.

SOFR differs from LIBOR in a number of material respects and has a limited history

SOFR differs from LIBOR in a number of material respects, including that SOFR is a backwards-looking, compounded, risk-free overnight rate, whereas LIBOR is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that LIBOR and SOFR may behave materially differently as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to LIBOR which is an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Publication of SOFR in its current form began in April 2018 and it therefore has a limited history. The future performance of SOFR may therefore be difficult to predict based on the limited historical performance. The level of SOFR during the term of the Notes may bear little or no relation to the historical level of SOFR. Prior observed patterns, if any, in the behaviour of market variables and their relation to SOFR such as correlations, may change in the future.

Furthermore, interest on Notes which reference SOFR is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors to estimate reliably the amount of interest which will be payable on the Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely impact the liquidity of the Notes. Further, in contrast to LIBOR-based Notes, if the Notes become due and payable as a result of an Event of Default under Condition 10 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of the Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable.

The administrator of SOFR may make changes that could change the value of SOFR or discontinue SOFR

The Issuer and the Guarantor have no control over the determination, calculation or publication of SOFR. There can be no guarantee that SOFR will not be discontinued, suspended or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing SOFR. In particular, the New York Federal Reserve (or a successor), as administrator of SOFR, may make methodological or other changes that could change the value of SOFR or its related indices, including changes related to the method by which SOFR or a related index is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR or a related index. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR or a related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing SOFR or a related index."

AMENDMENTS TO INFORMATION INCORPORATED BY REFERENCE

On 10 February 2021, DAE published its audited consolidated financial statements as at and for the year ended 31 December 2020 together with the independent auditor's report thereon (the "**2020 Financial Statements**"). In addition, on 5 May 2021, DAE published its unaudited condensed consolidated interim financial statements as at and for the three month period ended 31 March 2021 together with the independent auditor's review report thereon (the "**Interim Financial Statements**").

A copy of each of the 2020 Financial Statements and the Interim Financial Statements has been filed with the DFSA. Each of the 2020 Financial Statements and the Interim Financial Statements are incorporated by reference in, and form part of, this Supplement in their entirety and, by virtue of this Supplement, form part of the Base Prospectus.

DAE's financial year ends on 31 December and references to "2020" are to the 12 month period ending on 31 December 2020.

The information in paragraph 1 under the heading "*Information Incorporated by Reference*" appearing on page 29 of the Base Prospectus is deleted and replaced by the following and the remaining paragraphs are deemed to be re-numbered accordingly:

"1. the unaudited condensed consolidated interim financial statements of the Guarantor as at and for the three month period ended 31 March 2021, including the independent auditor's review report thereon and notes thereto, an electronic copy of which is available at:

https://dubaiaerospace.com/wp-content/uploads/2021/05/DAE-Results-for-the-three-month-period-ended-31-March-2021.pdf;"

2. the audited consolidated financial statements of the Guarantor as at and for the financial year ended 31 December 2020, including the independent auditor's report thereon and notes thereto, an electronic copy of which is available at:

https://dubaiaerospace.com/wp-content/uploads/2021/02/DAE-Results-for-the-year-ended-31-Dec20.pdf;"

Unless specifically incorporated by reference into this Supplement or the Base Prospectus, the information contained on DAE's website is not incorporated by reference into, or otherwise included in, this Supplement or the Base Prospectus.

For the avoidance of doubt, any documents incorporated by reference in the 2020 Financial Statements or the Interim Financial Statements shall not form part of this Supplement or the Base Prospectus.

AMENDMENTS TO APPLICABLE FINAL TERMS

Under the heading "*Applicable Final Terms*", item 17(g) (*Floating Rate Note Provisions – Screen Rate Determination*) appearing on page 33 of the Base Prospectus is deleted and replaced by the following:

"(g)	Screen Rate Determination:	[Applicable]/[Not Applicable]
(i)	Reference Rate:	[[•] month [EURIBOR]] [[•] month [LIBID]] [[•] month [[AUD]/[JPY]/[GBP]/[CHF]/[CAD]] [LIBOR]] [[•] month [LIMEAN]] [[•] month [CNH] [HIBOR]] [[•] month [SIBOR]] [[•] month [TIBOR]] [[•] [•] [SOFR]]
(ii)	Interest Determination Date(s):	[•]/[The date falling [•] Business Days prior to the first day of each Interest Accrual Period]/[First day of each Interest Accrual Period]/[The [•][*first, second, third etc.*] Business Day immediately

preceding the Interest Period Date for each Interest Accrual Period (or immediately preceding such earlier date, if any, on which the Notes are due and payable).][*provide details*]/[The Interest Period Date at the end of each Interest Accrual Period; provided that the Interest Determination Date with respect to the last Interest Accrual Period prior to the Maturity Date or the date fixed for redemption will be the Rate Cut-off Date - *Include this wording for Payment Delay only*]

(iii)	Relevant Screen Page:	[•]/[Not Applicable]
(iv)	Relevant Time:	[•]
(v)	Relevant Financial Centre:	[•]/[Not Applicable]
(vi)	Calculation Method:	[Weighted Average]/[Compounded Daily]/[SOFR Index]/[Not Applicable]
(vii)	Observation Method:	[Lag]/[Lock-out]/[Observation Shift]/[Payment Delay]/[SOFR Index]/[Not Applicable]
(viii)	Observation Look-Back Period:	[•]/[Not Applicable]
(ix)	Effective Interest Payment Date:	[The date falling [•] Business Days following each Interest Period Date, provided that the Effective Interest Payment Date with respect to the last Applicable Period will be the Maturity Date or, if the Notes are redeemed before the Maturity Date, the date fixed for redemption - *used for Payment Delay only*]/[Not Applicable]
(x)	Rate Cut-off Date:	[The date falling [•] Business Days prior to the Maturity Date or the date fixed for redemption, as applicable – *used for Payment Delay only*]/[Not Applicable]
(xi)	D:	[365/360/[•]]"

A new item 17(n) (*Floating Rate Note Provisions – Benchmark Replacement fall back*) is added as follows:

"(n)	Benchmark Replacement fall back:	[Condition 5(g)(i) (*Independent Adviser*) is applicable]/[Condition 5(g)(ii) (*ARRC*) is applicable]"

AMENDMENTS TO TERMS AND CONDITIONS OF THE NOTES

The heading "*Screen Rate Determination for Floating Rate Notes*" of Condition 5(b)(iii)(b) (*Interest on Floating Rate Notes – Rate of Interest for Floating Rate Notes – Screen Rate Determination for Floating Rate Notes*) appearing on page 47 of the Base Prospectus is deleted and replaced by "*Screen Rate Determination for Floating Rate Notes not referencing SOFR*".

Paragraph (1) in Condition 5(b)(iii)(b) (*Interest on Floating Rate Notes – Rate of Interest for Floating Rate Notes – Screen Rate Determination for Floating Rate Notes*) appearing on page 47 of the Base Prospectus is deleted and replaced by the following:

" (1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest (other than in respect of Notes for which SOFR is specified as the Reference Rate in the applicable Final Terms) for each Interest Accrual Period will, subject as provided below, be either: (x) the offered quotation; or (y) the arithmetic mean of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations."

A new Condition 5(b)(iii)(d) (*Interest on Floating Rate Notes – Rate of Interest for Floating Rate Notes – Screen Rate Determination for Floating Rate Notes referencing SOFR*) is included on page 48 of the Base Prospectus as follows:

"(d) *Screen Rate Determination for Floating Rate Notes referencing SOFR*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate specified in the applicable Final Terms is SOFR:

(1) Where the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily", the Rate of Interest for each Interest Accrual Period will, subject as provided below, be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Final Terms but subject to Condition 5(f) (*Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding*)) the Margin, all as determined by the Calculation Agent, where:

"**Compounded Daily Reference Rate**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the applicable Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{r_{i-pBD} \text{ x } n_i}{D}\right)-1\right] \text{ x } \frac{D}{d}$$

"**Applicable Period**" means,

(i) where "Lag", "Lock-out" or "Payment Delay" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; and

(ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the Observation Period relating to such Interest Accrual Period;

"**Business Day**" or "**BD**" means a U.S. Government Securities Business Day;

"**D**" is the number specified in the applicable Final Terms;

"**d**" means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

"$\mathbf{d_o}$" means, for the relevant Applicable Period, the number of Business Days in such Applicable Period;

"**Effective Interest Payment Date**" means any date or dates specified as such in the applicable Final Terms;

"**i**" means, for the relevant Applicable Period, a series of whole numbers from one to d_o, each representing the relevant Business Day in chronological order from, and including, the first Business Day in such Applicable Period;

"**Lock-out Period**" means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Period Date;

"$\mathbf{n_i}$", for any Business Day "i" in the Applicable Period, means the number of calendar days from and including such Business Day "i" up to but excluding the following Business Day;

"**New York Fed's Website**" means the website of the Federal Reserve Bank of New York currently at http://www.newyorkfed.org, or any successor website of the Federal Reserve Bank of New York;

"**Observation Period**" means, in respect of an Interest Accrual Period, the period from and including the date falling "p" Business Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date which is "p" Business Days prior to the Interest Period Date for such Interest Accrual Period (or the date falling "p" Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" means, for any Interest Accrual Period:

(i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of Business Days included in the Observation Look-back Period specified in the applicable Final Terms (or, if no such number is specified two Business Days);

(ii) where "Lock-out" or "Payment Delay" is specified as the Observation Method in the applicable Final Terms, zero; or

(iii) where "Observation Shift" or "SOFR Index" is specified as the Observation Method in the applicable Final Terms, the number of Business Days included in the Observation Look-back Period specified in the applicable Final Terms (which shall not be less than two Business Days without the consent of the Calculation Agent);

"**r**" means:

(i) where in the applicable Final Terms either "Lag" or "Observation Shift" is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day;

(ii) where in the applicable Final Terms "Lock-out" is specified as the Observation Method:

(A) in respect of any Business Day "i" that is a Reference Day, the SOFR in respect of the Business Day immediately preceding such Reference Day, and

(B) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SOFR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date); and

(iii) where in the applicable Final Terms "Payment Delay" is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day, provided however that, in the case of the last Interest Accrual Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SOFR in respect of the Rate Cut-off Date;

"**Rate Cut-off Date**" has the meaning given in the applicable Final Terms;

"**Reference Day**" means each Business Day in the relevant Interest Accrual Period, other than any Business Day in the Lock-out Period;

"$\mathbf{r_{i\text{-}pBD}}$" means the applicable Reference Rate as set out in the definition of "r" above for, (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the Business Day (being a Business Day falling in the relevant Observation Period) falling "p" Business Days prior to the relevant Business Day "i" or, (ii) otherwise, the relevant Business Day "i";

"**SOFR**" means, in respect of any Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website, in each case on or about 5:00 p.m. (New York City Time) on the Business Day immediately following such Business Day (the "**SOFR Determination Time**"); and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(2) Where the Calculation Method is specified in the applicable Final Terms as being "Weighted Average", the Rate of Interest for each Interest Accrual Period will, subject to as provided below, be the Weighted Average Reference Rate (as defined below) plus or minus (as indicated in the applicable Final Terms but subject to Condition 5(f) (*Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding*)) the Margin and will be calculated by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards, where:

"**Business Day**" has the meaning set out in paragraph (1) above;

"**Lock-out Period**" has the meaning set out in paragraph (1) above;

"**Observation Period**" has the meaning set out in paragraph (1) above;

"**Reference Day**" has the meaning set out in paragraph (1) above; and

"**Weighted Average Reference Rate**" means:

(i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant

Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day; and

(ii) where "Lock-out" is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying each relevant Reference Rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Accrual Period, provided however that for any calendar day of such Interest Accrual Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.

(3) Where the Calculation Method is specified in the applicable Final Terms as being "SOFR Index", the Rate of Interest for each Interest Accrual Period will, subject as provided below, be the SOFR Index Reference Rate (as defined below) plus or minus (as indicated in the applicable Final Terms but subject to Condition 5(f) (*Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding*)) the Margin and will be calculated by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.00000005 being rounded upwards, where:

"**p**" has the meaning set out in paragraph (1) above;

"**SOFR Averages**" shall mean the computation bearing the same name as published on the New York Fed's Website;

"**SOFR Index**" with respect to any U.S. Government Securities Business Day, means:

(i) the SOFR Index value as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) as such index appears on the New York Fed's Website at 5.00 p.m. (New York City time) on such U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(ii) if a SOFR Index value does not so appear as specified in (i) above at the SOFR Determination Time, then:

(A) if a Benchmark Event has not occurred, the SOFR Index Reference Rate shall be the SOFR Index Unavailable value; or

(B) if a Benchmark Event has occurred, then the SOFR Index Reference Rate shall be the rate determined pursuant to Condition 5(g) (*Benchmark Replacement*);

"**SOFR Index$_{End}$**" is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the Interest Period Date relating to such Interest Accrual Period;

"**SOFR Index Reference Rate**" means:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \text{ x } \left(\frac{360}{d_c}\right)$$

where "d_c" is the number of calendar days from (and including) SOFR Index$_{Start}$ to (but excluding) SOFR Index$_{End}$ (the number of calendar days in the relevant Observation Period);

"**SOFR Index$_{Start}$**" is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the first date of the relevant Interest Accrual Period;

"**SOFR Index Unavailable**" means if a SOFR Index$_{Start}$ or SOFR Index$_{End}$ is not published on the associated Interest Determination Date and a Benchmark Event has have not occurred, "SOFR Index Reference Rate" means, for the relevant Interest Accrual Period for which such index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the New York Federal Reserve's Website at https://www.newyorkfed.org/markets/treasury-repo-reference-ratesinformation. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period" and the words "that is, 30-, 90-, or 180- calendar days" shall be removed. If the daily SOFR does not so appear for any day, "i" in the Observation Period, SOFR for such day "i" shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the New York Federal Reserve's Website.

(4) If, in respect of any Business Day (as defined in paragraph (1) above), the Reference Rate is not available, subject to Condition 5(g) (*Benchmark Replacement*) such Reference Rate shall be the SOFR (as defined in paragraph (i) above) for the first preceding Business Day on which the SOFR was published on the New York Fed's Website (as defined in paragraph (i) above) and "r" shall be interpreted accordingly.

(5) If the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 5(g) (*Benchmark Replacement*), the Rate of Interest shall be that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest relating to the first Interest Accrual Period).

(6) If the relevant Series of Notes become due and payable in accordance with Condition 6 (*Redemption, Purchase and Options*) or Condition 10 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(7) For the purposes of this Condition 5(b)(iii)(d), if "Payment Delay" is specified in the relevant Final Terms as being applicable, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date or Interest Period Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead."

The first paragraph of Condition 5(g) (*Benchmark Replacement*) appearing on page 49 of the Base Prospectus is deleted and replaced by the following and the remaining provisions of Condition 5(g) (*Benchmark Replacement*) (together with the relevant cross-references contained therein) are deemed to be re-numbered accordingly:

"(g) ***Benchmark Replacement***

(i) *Independent Adviser*

Notwithstanding any other provisions of Condition 5(b), if the Issuer and the Guarantor determine that a Benchmark Event has occurred in relation to the relevant Reference Rate specified in the applicable Final Terms when any Rate of Interest (or the relevant component part thereof) remains to be determined by such Reference Rate, then the following provisions shall apply (other than where in the applicable

Final Terms "Condition 5(g)(ii) (*ARRC*) is applicable" is specified for the Benchmark Replacement fall back):"

A new Condition 5(g)(ii) (*ARRC*) is added after Condition 5(g)(i) (*Benchmark Replacement – Independent Adviser*) on page 51 of the Base Prospectus as follows:

"(ii) *ARRC*

This Condition 5(g)(ii) (*ARRC*) shall apply, in the case of Notes for which the Specified Currency specified in the applicable Final Terms is U.S. dollars and the Reference Rate specified in the relevant Final Terms is LIBOR or SOFR, if in the applicable Final Terms "Condition 5(g)(ii) (*ARRC*) is applicable" is specified for the Benchmark Replacement fall back.

If the Issuer and the Guarantor determine on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer and the Guarantor will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of Noteholders.

Any determination, decision or election that may be made by the Issuer and the Guarantor pursuant to this Condition 5(g)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(i) will be conclusive and binding absent manifest error;

(ii) will be made in the sole discretion of the Issuer and the Guarantor; and

(iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

"**Benchmark**" means, initially, U.S. dollar LIBOR or SOFR, as the case may be; provided that if the Issuer and the Guarantor determine on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to U.S. dollar LIBOR or SOFR (or the published daily SOFR used in the calculation thereof), as the case may be, or the then-current Benchmark, then "**Benchmark**" shall mean the applicable Benchmark Replacement;

"**Benchmark Replacement**" means:

(A) in the case of Notes where the Reference Rate is U.S. dollar LIBOR, the Interpolated Benchmark with respect to the then-current Benchmark; provided that if the Issuer and the Guarantor cannot determine the

Interpolated Benchmark as of the Benchmark Replacement Date, then "**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer and the Guarantor as of the Benchmark Replacement Date:

(i) the sum of: (a) Term SOFR and (b) the Benchmark Replacement Adjustment;

(ii) the sum of: (a) Compounded SOFR and (b) the Benchmark Replacement Adjustment;

(iii) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;

(iv) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or

(v) the sum of: (a) the alternate rate of interest that has been selected by the Issuer and the Guarantor as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. Dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment; and

(B) in the case of Notes where the Reference Rate is SOFR, "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer and the Guarantor as of the Benchmark Replacement Date:

(i) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;

(ii) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or

(iii) the sum of: (a) the alternate rate of interest that has been selected by the Issuer and the Guarantor as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer and the Guarantor as of the Benchmark Replacement Date:

(A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer and the Guarantor giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer and the Guarantor decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer and the Guarantor decide that adoption of any portion of such market practice is not administratively feasible or if the Issuer and the Guarantor determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer and the Guarantor determine is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including, in the case of Compounded SOFR, the daily published component used in the calculation thereof):

(A) in the case of clause (A) or (B) of the definition of "Benchmark Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(B) in the case of clause (C) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(A) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"**Compounded SOFR**" means the compounded average of daily SOFR rates for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate being established by the Issuer and the Guarantor or their designee in accordance with:

(A) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining Compounded SOFR; provided that:

(B) if, and to the extent that, the Issuer and the Guarantor or their designee determine that Compounded SOFR cannot be determined in accordance with sub-paragraph (A) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer and the Guarantor or their designee giving due consideration to any industry-accepted market practice for U.S. Dollar-denominated floating rate notes at such time;

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

"**Interpolated Benchmark**" with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (A) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (B) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (i) if the Benchmark is LIBOR, the Relevant Time, (ii) if the Benchmark is SOFR, the SOFR Determination Time, and (iii) if the Benchmark is neither LIBOR nor SOFR, the time determined by the Issuer and the Guarantor after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

"**Term SOFR**" means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR (as defined in Condition 5(b)(iii)(d) (*Screen Rate Determination for Floating Rate Notes referencing SOFR*) above) that has been selected or recommended by the Relevant Governmental Body; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 5(g)(ii) will be notified promptly by the Issuer (failing whom, the Guarantor) to the Agents and, in accordance with Condition 14 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by a director or a duly Authorized Signatory of the Issuer and the Guarantor shall deliver to the Issuer and the Fiscal Agent a certificate signed by a duly Authorized Signatory of the Guarantor:

(A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5(g)(ii); and

(B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment."

The following is included as a new limb (xiv) in the definition of "Reference Rate" in Condition 5(k) (*Definitions*) on page 57 of the Base Prospectus:

"(xiv) Secured Overnight Financing Rate ("**SOFR**")."

AMENDMENTS TO CAPITALIZATION

The information under the heading "*Capitalization*" is deleted and replaced by the following:

"The table below shows the Group's unaudited unrestricted cash and capitalization as at 31 March 2021 on an historical consolidated basis. The historical information has been derived from the Group's condensed consolidated interim financial statements for the three month period ended 31 March 2021 (the "**Interim Financial Statements**") incorporated by reference in this Base Prospectus. Prospective investors should read this table in conjunction with "*Selected Financial Information*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the Financial Statements included elsewhere in this Base Prospectus.

	As at 31 March 2021
	(U.S.$ million)
Unrestricted cash	**717.4**
Non-recourse obligations	149.4
Recourse obligations (including ECA, EXIM and EDC)	2,575.2
Unsecured facilities	1,185.5
Senior unsecured notes	4,060.8
Revolving credit facilities (drawn amount)[1]	426.4
Secured term loan	175.1
Total debt[2]	**8,572.4**
Net equity	2,928.1
Total capitalization[3][4]	**11,500.5**

Notes:
(1) As at 31 March 2021, the Group had U.S.$2,559.9 million of availability under its undrawn revolving credit facilities.
(2) Total debt is presented gross of capitalized issuance and other costs.
(3) Total capitalization comprises total debt and net equity.
(4) There have been no material changes in the Group's capitalization since 31 March 2021."

AMENDMENTS TO SELECTED FINANCIAL INFORMATION

The financial information as at, and for the nine months ended, 30 September 2020 and for the nine months ended 30 September 2019 under the heading "*Selected Financial Information*" is deleted.

The following information from the Interim Financial Statements is incorporated by reference into this section:

- Financial information as at 31 March 2021 from the condensed consolidated statement of financial position;

- Financial information for the three months ended 31 March 2021 and 31 March 2020 from the condensed consolidated statement of profit or loss and other comprehensive income; and

- Financial information for the three months ended 31 March 2021 and 31 March 2020 from the condensed consolidated statement of cashflows.

The following information from the 2020 Financial Statements is incorporated by reference into this section:

- Financial information as at 31 December 2020 from the consolidated statement of financial position;

- Financial information for the year ended 31 December 2020 from the consolidated statement of profit or loss and other comprehensive income; and

- Financial information for the year ended 31 December 2020 from the consolidated statement of cashflows.

The information under the heading "*Selected Financial Information—Certain Ratios*" is deleted and replaced by the following:

"The table below shows certain consolidated ratios for the Group as at and for the three months ended 31 March 2021 and 31 March 2020 and as at and for the years ended 31 December 2020, 2019 and 2018. Each of these ratios is an APM and is not an IFRS measure of performance. See "*Presentation of Financial and Other Information—Presentation of Financial Information—Certain non-IFRS financial information*".

	As at and for the three months ended 31 March		**As at and for the year ended 31 December**		
	2021	**2020**	**2020**	**2019**	**2018**
	(per cent., unless otherwise stated)				
Pre-tax profit margin(1)	2.9	23.8	19.2	29.1	29.8
Pre-tax return on equity(2)	1.2	11.4	8.4	12.6	13.7
Net debt/equity (times)(3)	2.65	2.60	2.57	2.64	2.57
Total available liquidity (U.S.$ billion)(4)	3.3	2.8	2.7	2.4	1.6
Unsecured debt/total debt(5)	66.2	61.4	62.6	61.6	46.0
Liquidity coverage ratio(6)	274.7	286.8	235.2	224.4	254.7

Notes:

(1) Calculated as profit before income tax divided by total revenue.

(2) Calculated as profit before income tax (annualized in the case of interim periods) divided by average total equity, with average total equity calculated as the sum of the figures at the start and end of each period divided by two.

(3) Calculated as net debt (being total loans and borrowings less cash and cash equivalents) divided by total equity.

(4) Calculated as the sum of available revolving credit facilities (which amounted to U.S.$2,559.9 million as at 31 March 2021, U.S.$2,239.0million as at 31 March 2020, U.S.$2,224.0 million as at 31 December 2020, U.S.$2,175 million as at 31 December 2019 and U.S.$1,365 million as at 31 December 2018) and cash and cash equivalents.

(5) Calculated as unsecured loans and borrowings (as set out in Note 12 to the Interim Financial Statements, Note 19 to the 2020 Financial Statements and Note 17 to the 2019 Financial Statements) divided by total loans and borrowings.

(6) Calculated as total available liquidity divided by recourse debt payments, which amounted to U.S.$1,193 million and U.S.$982 million for the three months ended 31 March 2021 and 2020, respectively, and U.S.$1,145 million, U.S.$1,071 million and U.S.$612 million for the years ended 31 December 2020, 2019 and 2018, respectively."

The information under the heading "*Selected Financial Information—Adjusted EBITDA*" is deleted and replaced by the following:

"The table below shows the Group's consolidated adjusted EBITDA and a reconciliation of Adjusted EBITDA to profit for the period for each of the three months ended 31 March 2021 and 31 March 2020 and for each of 2020, 2019 and 2018. Adjusted EBITDA is an APM and is not an IFRS See "*Presentation of Financial and Other Information—Presentation of Financial Information—Certain non-IFRS financial information*".

	Three months ended 31 March		Year ended 31 December		
	2021	**2020**	**2020**	**2019**[(1)]	**2018**
			(U.S.$ million)		
Profit for the period/year	8.3	76.7	228.9	377.5	372.9
Net finance costs	104.9	91.8	333.8	378.1[(2)]	355.1
Income tax expense	0.6	7.1	21.3	36.1	55.9
Loss allowance for financial assets	15.9	6.2	53.9	12.3	1.9
Depreciation and amortization	143.7	140.0	559.0	572.9	563.8
Adjusted EBITDA	**273.4**	**321.8**	**1,196.9**	**1,376.9**	**1,349.6**

Notes:

(1) The comparative figures for the year ended 31 December 2019 were reclassified and extracted or derived from the unaudited comparative column of the 2020 Financial Statements.

(2) Prior to 1 January 2020, finance lease and loan receivables income was included with finance income and since 1 January 2020 it has been presented within revenue. The comparative period has been re-presented to conform to the presentation for 2020. See note 6 to the 2020 Financial Statements."

AMENDMENTS TO MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information under the heading "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Aircraft Leasing Division*" is deleted and replaced by the following:

"The Group is one of the largest aircraft leasing organizations in the world with a total fleet of 377 aircraft as at 31 March 2021. This was made up of 303 owned aircraft (including seven aircraft classified as finance lease and loan receivables) and 67 managed aircraft. In addition, the Group has commitments to acquire three new, fuel-efficient aircraft and four aircraft for the managed fleet. The Group's aircraft are on lease to 108 lessees in 52 countries. As at 31 March 2021, the Group's owned fleet had a book value of U.S.$11,673.9 million. In addition, the estimated value of the Group's managed fleet was U.S.$1,423.3 million. The average age, weighted by Cirium/Ascend half-life current market value, of the Group's Owned Portfolio as at 31 March 2021 was 6.0 years.

The Group's aircraft operations are carried out by an experienced team of commercial aviation industry professionals. Its lease arrangements with airline customers are "net" leases under which lessees are generally responsible for all operating expenses, which customarily include maintenance, fuel, crews, insurance, airport and navigation charges, taxes, licenses and aircraft registration. The Group's leases are for a fixed term, although in some cases the lessees have early termination or extension rights. Most of the Group's leases require payments to be made monthly in advance, and most of its leases are denominated in U.S. dollars. As at 31 March 2021, 92.2 per cent. of the Group's leases were subject to fixed lease rates as a percentage of lease revenue. The Group requires its lessees to carry insurance, which is customary in the air transportation industry, with premiums paid by the lessee. Lessees are generally required to continue to make lease payments under all circumstances, including periods during which the aircraft is not in operation due to maintenance or grounding.

The Group's lease portfolio is highly diversified, geographically and by airline, with the top five lessees representing 32.0 per cent. of the portfolio based on net book value as at 31 March 2021. Emirates, a related party, is the largest customer representing 13.4 per cent. of the fleet based on net book value as at 31 December 2020 and 13.1 per cent. as at 31 March 2021."

The information under the heading "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors affecting comparability of the Group's results—Impact of COVID-19*" save for the first paragraph is deleted and replaced by the following:

"**Impact of COVID-19**

Since the start of 2020, the Group's business has been impacted by the effect on its customers of measures put in place around the world to contain the spread of the COVID-19 pandemic, including significant restrictions on the movement of citizens in affected countries which have materially disrupted the airline industry. As discussed above under "*Risk Factors—The Group is exposed to material and currently not fully quantifiable disruptions arising from the Coronavirus disease 2019 (COVID-19)*", passenger air travel has been significantly impacted, although cargo has been impacted to a somewhat lesser extent.

As at 31 March 2021, the Group has executed relief packages with 38 airline customers, principally in the form of rent deferrals or other leases amendments. The total value of these deferral relief packages is U.S.$195.5 million or 16.4 per cent. of the trailing twelve months ("**TTM**") lease revenue, being the lease revenue recognized by the Group in the 12-month period ended 31 March 2021. Of the total deferrals, as at 31 March 2021, U.S.$184.1 million has been incurred and U.S.$11.4 million relates to future rental. Of the U.S.$184.1 million incurred, U.S.$57.1 million has been completed and U.S.$127.0 million remains accrued at 31 March 2021.

In addition, the Group has entered into various lease amendments principally involving near term relief in exchange for lease extensions and other lease value enhancements. In total, as at 31 March 2021 the value of these amendments is U.S.$139.0 million, which was equal to 11.6 per cent. of TTM lease revenue.

The principal impacts of COVID-19 on the Group's results and financial condition to date are described below:

In light of the disruption in the airline industry certain customers are delinquent in lease payments which resulted in an increase in the Group's total net trade and other receivables balance to U.S.$142.0 million as at 31 December 2020 from U.S.$69.1 million as at 31 December 2019. As at March 2021, the Group's total net trade and other receivables balance was U.S.$118.2 million. The Group also recorded an increase in its loss allowance for trade receivables, which increased to U.S.$57.7 million as at 31 December 2020 and U.S.$67.0 million as at 31 March 2021 compared to U.S.$14.5 million as at 31 December 2019.

Notwithstanding the granting of deferrals, the Group continues to recognize lease income on a straight-line basis. Accordingly, the revenue recognized but not yet billed or due as at the relevant period end date is included on the statement of financial position as an accrued revenue asset within other current and non-current assets. The total amount of accrued revenue was U.S.$107.2 million as at 31 December 2020 and U.S.$127.0 million as at 31 March 2021 and the Group recognized a loss allowance relating to accrued revenue of U.S.$10.7 million for 2020 and a loss allowance relating to accrued revenue of U.S.$17.3 million for the three months ended 31 March 2021. If the impact of COVID-19 is prolonged it is likely the amounts due and associated loss allowance will increase in future periods.

The Group's cash flow has been negatively impacted by the entry into the lease amendment or deferral agreements noted above both through deferral of rent and changes in its collection rate (being total cash collections divided by net contractual rent due in respect of its aircraft leases after incorporating the effect of any such lease amendment or deferral agreements executed as of 31 March 2021, which may impact prior quarters) in the 12 months ended 31 December 2020 and the three months ended 31 March 2021. The Group's collection rate was 93 per cent. in the first quarter of 2020 and 71 per cent. in the second quarter of 2020, before recovering to 79 per cent. in the third quarter of 2020 and 100 per cent. in the fourth quarter of 2020. The Group's collection rate was 97 per cent. in the first quarter of 2021.

In addition, reflecting the impact of COVID-19, the Group sold 14 aircraft in 2020 compared to 34 in 2019. In the first quarter of 2021, the Group sold four aircraft compared to nine aircraft in the corresponding period of 2020. Starting in the fourth quarter of 2020, the secondary trading market began to return and lease encumbered aircraft on lease to high quality airlines are currently trading in line with levels before COVID-19. Valuations of mature, off-lease aircraft are improving.

The Group holds security relating to leases of approximately U.S.$500 million as at 31 March 2021 in the form of cash or letters of credit and has access to U.S.$3.3 billion of available liquidity to support its ongoing operations. The Group also holds maintenance reserves of U.S.$1.1 billion as at 31 March 2021."

The introductory sentence and the first table under the heading "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Metrics—The Group's fleet*" are deleted and replaced by the following:

"The table below shows the Group's fleet as at 31 March 2021, 31 March 2020 and 31 December 2020. Additionally, on 20 April 2021, the Group announced that it had entered into an agreement to acquire 15 Boeing 737 MAX 8 aircraft. The order is valued at approximately U.S.$1.8 billion at list prices.

	As at 31 March		As at 31 December
	2021	**2020**	**2020**
Owned Portfolio (*number of aircraft*)	303	280	298
Managed Portfolio (*number of aircraft*)	67	73	66
Weighted average age (*years*) (Owned Portfolio) [(1)]	6.0	6.2	6.2
Weighted average remaining lease term (*years*) (Owned Portfolio)[(1)]	6.8	6.1	6.6
Net book value of aircraft held for lease (*U.S.$ million*)	11,492.7	11,275.2	11,321.0
Carrying value of finance lease and loan receivables (*U.S.$ million*)	181.2	88.4	185.2
Aggregate net book value (*U.S.$ million*) (Owned Portfolio)	**11,673.9**	**11,636.6**	**11,506.2**

Notes:

(1) Weighted averages calculated based on the Cirium/Ascend half-life current market value as at each relevant date."

The information under the heading "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Nine months ended 30 September 2020 compared to nine months ended 30 September 2019*" is deleted and replaced by the following:

"Three months ended 31 March 2021 compared to three months ended 31 March 2020

This section compares the Group's results of operations for each of the three-month periods ended 31 March 2021 and 31 March 2020, using unaudited financial data for both periods extracted from the Interim Financial Statements.

Total revenue

The Group's total revenue comprises (i) lease revenue from aircraft leasing, which also includes maintenance revenue (which comprises the release of maintenance reserves net of the derecognition of maintenance right assets) and is net of amortization of lease incentives, lease discounts and other lease costs, (ii) engineering maintenance service revenue which is derived from Joramco's engineering maintenance services, (iii) finance lease and loan receivables income and (iv) other income (which includes income from the management of aircraft on behalf of third parties, settlements received from customers, proceeds from the sale of spare parts and the release of security deposits).

The table below shows a breakdown of the Group's total revenue for each of the three-month periods ended 31 March 2021 and 31 March 2020.

	Three months ended 31 March	
	2021	**2020**
	(U.S.$ million)	
Lease revenue	287.4	320.2
Maintenance revenue	5.3	17.4
Amortization of lease incentives and other lease costs	(16.6)	(15.7)
Net lease revenue	**276.1**	**321.9**
Engineering maintenance services revenue	25.5	22.9
Finance lease and loan receivables income	3.5	1.7
Total lease, engineering maintenance service revenue and finance lease and loan receivables income	**305.1**	**346.5**
Other income	2.4	5.5
Total revenue	**307.5**	**352.0**

The Group's total revenue decreased by U.S.$44.5 million, or 12.6 per cent., to U.S.$307.5 million in the three months ended 31 March 2021 from U.S.$352.0 million in the corresponding period of 2020 due to the reasons outlined below.

Lease revenue

The Group's net lease revenue decreased by U.S.$45.8 million, or 14.2 per cent., in the three months ended 31 March 2021 to U.S.$276.1 million from U.S.$321.9 million in the corresponding period of 2020. The decrease in the three months ended 31 March 2021 compared to the corresponding period in 2020 was due primarily to lease restructurings entered into between 1 April 2020 and 31 March 2021 due to COVID-19 and aircraft sales offset by aircraft acquisitions. Maintenance income decreased due to lower maintenance reserve releases on transitioning aircraft.

Engineering maintenance services revenue

The Group's revenue from Joramco's engineering maintenance services increased by U.S.$2.6 million, or 11.0 per cent., in the three months ended 31 March 2021 to U.S.$25.5 million from U.S.$22.9 million in the corresponding period of 2020.

Finance lease and loan receivables income

The Group's finance lease and loan receivables income increased by U.S.$1.8 million, or 105.7 per cent., to U.S.$3.5 million for the three months ended 31 March 2021 compared to U.S.$1.7 million for the corresponding period of 2020. This increase was primarily due to a higher number of aircraft classified as finance lease and loan receivables.

Gain on disposal of aircraft

The Group's gain on disposal of aircraft was U.S.$1.2 million in the three months ended 31 March 2021 compared to U.S.$7.9 million in the corresponding period of 2020.

During the three months ended 31 March 2021 the Group sold four owned aircraft compared to nine owned aircraft in the corresponding period of 2020.

Fluctuations in the gain or loss on disposal of aircraft are not only a function of the number of disposals, but are also dependent on the type and age of aircraft, accounting adjustments for revenue earned from the economic closing date to the transfer of title to the buyer, as well as the prevailing market trading conditions in the underlying period.

Expenses

The Group's expenses in the three-month periods ended 31 March 2021 and 31 March 2020 comprised (i) depreciation and amortization, (ii) general and administrative expenses, (iii) loss allowance, (iv) the cost of providing the engineering maintenance services provided by Joramco and (v) aircraft maintenance costs.

The table below shows a breakdown of the Group's expenses for each of the three-month periods ended 31 March 2021 and 31 March 2020.

	Three months ended 31 March	
	2021	**2020**
	(U.S.$ million)	
Depreciation and amortization	143.7	140.0
General and administrative expenses	14.1	20.3
Loss allowance	15.9	6.2
Cost of providing engineering maintenance services	16.9	14.8
Aircraft maintenance	4.3	3.0
Total expenses	**194.9**	**184.3**

The Group's total expenses increased by U.S.$10.6 million, or 5.7 per cent., in the three months ended 31 March 2021 to U.S.$194.9 million from U.S.$184.3 million in the corresponding period of 2020.

Depreciation and amortization

The Group's depreciation and amortization expenses increased by U.S.$3.7 million, or 2.6 per cent., in the three months ended 31 March 2021 to U.S.$143.7 million from U.S.$140.0 million in the corresponding period of 2020. This increase was primarily due to a higher number of aircraft in the fleet.

General and administrative expenses

The Group's general and administrative expenses decreased by U.S.$6.2 million, or 30.5 per cent., in the three months ended 31 March 2021 to U.S.$14.1 million from U.S.$20.3 million in the corresponding period of 2020. This decrease was due to lower compensation and benefit expenses and lower travel costs.

Loss allowance

The Group's loss allowance increased by U.S.$9.7 million, or 157.3 per cent., to U.S.$15.9 million in the three months ended 31 March 2021 from U.S.$6.2 million in the corresponding period of 2020. This was due predominately to increased exposure from trade receivables and accrued revenue as a result of the COVID-19 pandemic.

Cost of providing engineering maintenance services

The Group's cost of providing engineering maintenance services increased by U.S.$2.1 million, or 14.6 per cent., in the three months ended 31 March 2021 to U.S.$16.9 million from U.S.$14.8 million in the corresponding period of 2020. This increase reflected the corresponding increase in engineering maintenance services revenue over the same periods.

Aircraft maintenance

The Group's aircraft maintenance expenses increased by U.S.$1.3 million, or 41.1 per cent., in the three months ended 31 March 2021 to U.S.$4.3 million from U.S.$3.0 million in the corresponding period of 2020. This was principally due to an increase in aircraft transition and surveillance costs.

Operating profit

Reflecting the above factors, the Group's operating profit was U.S.$113.8 million in the three months ended 31 March 2021 compared to U.S.$175.6 million in the corresponding period of 2020, a decrease of U.S.$61.8 million, or 35.2 per cent.

Net finance costs

The Group's net finance costs increased by U.S.$13.1 million, or 14.3 per cent., in the three months ended 31 March 2021 to U.S.$104.9 million from U.S.$91.8 million in the corresponding period of 2020.

The Group's finance income decreased by U.S.$5.2 million, or 73.5 per cent., in the three months ended 31 March 2021 to U.S.$1.9 million from U.S.$7.1 million in the corresponding period of 2020. This was due primarily to the movement in interest earned on notes receivable from the shareholder, which were repaid in full during the three months ended 31 March 2020.

The Group's finance expense decreased by U.S.$8.2 million, or 8.2 per cent., in the three months ended 31 March 2021 to U.S.$90.7 million from U.S.$98.8 million in the corresponding period of 2020. This decrease was primarily due to a reduction in interest expense as a result of a decrease in the average cost of debt to 3.9 per cent. as at 31 March 2021 from 4.3 per cent. as at 31 March 2020.

During the three months ended 31 March 2021, the Group early redeemed certain senior unsecured notes resulting in debt redemption costs of U.S.$16.1 million which consisted of a redemption premium paid of U.S.$13.1 million and acceleration of debt issuance costs of U.S.$3.0 million.

Income tax expense

The Group's tax charge is primarily driven by tax arising on its Irish activities as well as the impact of tax losses for which no benefit was recognizable. During the three months ended 31 March 2021, the Group recorded a tax expense of U.S.$0.6 million compared to a tax expense of U.S.$7.1 million in the corresponding period of 2020. The decrease was primarily due to a reduction in profits attributable to the Group's activities carried out in Ireland in the three months ended 31 March 2021.

Profit for the year

Reflecting the above factors, the Group's profit for the three months ended 31 March 2021 decreased by U.S.$68.4 million, or 89.2 per cent., to U.S.$8.3 million from U.S.$76.7 million in the corresponding period of 2020."

2020 compared to 2019

*This section compares the Group's results of operations for the year ended 31 December 2020 ("**2020**") to 2019. Prior to 1 January 2020, finance lease and loan receivables income was included with finance income and since 1 January 2020 it has been presented within revenue. The Group's loss allowance was previously classified with lease revenue and was presented within expenses for the first time in 2020. As a result, certain comparative figures for the year ended 31 December 2019 have been reclassified to conform to the 31 December 2020 classification. Financial data as at and for the year ended 31 December 2020 has been extracted from the Group's audited consolidated financial statements as at, and for the year ended 31 December 2020 (the "**2020 Financial Statements**"). Financial data as at and for the year ended 31 December 2019 has been extracted from the unaudited comparative column of the 2020 Financial Statements.*

Total revenue

The Group's total revenue comprises (i) lease revenue from aircraft leasing, which also includes maintenance revenue (which comprises the release of maintenance reserves net of the derecognition of maintenance right assets) and is net of amortization of lease incentives, lease discounts and other lease costs, (ii) engineering maintenance service revenue which is derived from Joramco's engineering maintenance services, (iii) since 1 January 2020, finance lease and loan receivables income and (iv) other income (which includes income from the management of aircraft on behalf of third parties, settlements received from customers, proceeds from the sale of spare parts and the release of security deposits).

The table below shows a breakdown of the Group's total revenue for each of 2020 and 2019.

	Year ended 31 December	
	2020	2019[(1)]
	(U.S.$ million)	
Lease revenue	1,196.0	1,336.4[(2)]
Maintenance revenue	73.1	68.3
Amortization of lease incentives, lease discounts and other lease costs	(59.0)	(62.3)
Net lease revenue	**1,210.1**	**1,342.4[(2)]**
Engineering maintenance services revenue	63.8	81.8
Finance lease and loan receivables income	11.6	5.9[(2)]
Total lease revenue and engineering maintenance services revenue	**1,285.5**	**1,430.1[(2)]**
Other income	14.8	9.4
Total revenue	**1,300.3**	**1,439.5[(2)]**

Notes:

(1) The comparative figures for the year ended 31 December 2019 were reclassified and extracted or derived from the unaudited comparative column of the 2020 Financial Statements.

(2) Prior to 1 January 2020, finance lease and loan receivables income was included with finance income and since 1 January 2020 it has been presented within revenue. The comparative period has been re-presented to conform to the presentation for 2020. See note 6 to the 2020 Financial Statements.

The Group's total revenue was U.S.$1,300.3 million in 2020 compared to U.S.$1,439.5 million in 2019, a decrease of U.S.$139.2 million, or 9.7 per cent., principally due to the reasons outlined below.

Lease revenue

The Group's net lease revenue decreased by U.S.$132.3 million, or 9.9 per cent., in 2020 to U.S.$1,210.1 million from U.S.$1,342.4 million in 2019. This decrease was principally due to the (i) timing of aircraft acquisitions and sales resulting in a decrease in the average number of revenue-generating aircraft in the fleet, (ii) lease restructurings due to COVID-19 and (iii) the impact of lease transitions. Maintenance revenue increased in 2020 due to higher maintenance reserve releases on transitioning aircraft compared to 2019. Amortization of lease incentives decreased in 2020 compared to 2019 due to lower contributions expected on future maintenance events.

Engineering maintenance services revenue

The Group's revenue from Joramco's engineering maintenance services decreased by U.S.$18.0 million, or 21.9 per cent., in 2020 to U.S.$63.8 million from U.S.$81.8 million in 2019. The decrease principally reflected limited operating capacity due to the impact of COVID-19 during 2020.

Gain on disposal of aircraft

The Group's gain on disposal of aircraft was U.S.$34.7 million in 2020 compared to U.S.$84.7 million in 2019. During 2020 the Group sold 14 owned aircraft compared to 34 owned aircraft in 2019. Of the 14 aircraft sold in 2020, eight aircraft were sold to third parties where management of the aircraft was retained by the Group. The average age of the aircraft sold in 2020 was 12.5 years.

Fluctuations in the gain or loss on disposal of aircraft are not only a function of the number of disposals, but are also dependent on the type and age of aircraft, accounting adjustments for revenue earned from the economic closing date to the transfer of title to the buyer, as well as the prevailing market trading conditions in the underlying period.

Expenses

The Group's expenses in 2020 and 2019 comprised (i) depreciation and amortization, (ii) general and administrative expenses, (iii) loss allowance for financial assets, (iv) the cost of providing the engineering maintenance services provided by Joramco and (v) aircraft maintenance costs.

The table below shows a breakdown of the Group's expenses for each of 2020 and 2019.

	Year ended 31 December	
	2020	**2019**[(1)]
	(U.S.$ million)	
Depreciation and amortization	559.0	572.9
General and administrative expenses	77.0	83.9
Loss allowance for financial assets	53.9	12.3[(2)]
Cost of providing engineering maintenance services	43.0	52.4
Aircraft maintenance	18.1	11.0
Total expenses	**751.0**	**732.5**[(2)]

Notes:

(1) The comparative figures for the year ended 31 December 2019 were reclassified and extracted or derived from the unaudited comparative column of the 2020 Financial Statements.

(2) The Group's loss allowance was previously classified with lease revenue and was presented within expenses for the first time in 2020. The comparative period has been re-presented to conform to the presentation for 2020. See note 3 to the 2020 Financial Statements.

The Group's total expenses increased by U.S.$18.5 million, or 2.5 per cent., in 2020 to U.S.$751.0 million from U.S.$732.5 million in 2019, primarily due to increased loss allowance for financial assets.

Depreciation and amortization

The Group's depreciation and amortization expenses decreased by U.S.$13.9 million, or 2.4 per cent., in 2020 to U.S.$559.0 million from U.S.$572.9 million in 2019. This decrease was predominately driven by a lower average number of aircraft in the fleet in 2020. During 2020, the Group changed the estimated useful economic life of freighter aircraft and ATR 72-600s from 25 to 30 years, in order to more appropriately reflect the period of expected economic use. This change did not result in a material change in the depreciation charge for 2020.

General and administrative expenses

The Group's general and administrative expenses decreased by U.S.$6.9 million, or 8.3 per cent., in 2020 to U.S.$77.0 million from U.S.$83.9 million in 2019. This decrease reflected a decrease in travel costs due to the COVID-19 pandemic and general tighter control of costs.

Loss allowance for financial assets

The Group's loss allowance for financial assets increased by U.S.$41.6 million, principally due to increased trade and other receivables and accrued income as a result of the COVID-19 pandemic.

Cost of providing engineering maintenance services

The Group's cost of providing engineering maintenance services decreased by U.S.$9.4 million, or 17.8 per cent., in 2020 to U.S.$43.0 million from U.S.$52.4 million in 2019. This decrease reflects the decrease in revenue from engineering maintenance services over the same period.

Aircraft maintenance

The Group's aircraft maintenance expenses increased by U.S.$7.1 million, or 65.5 per cent., in 2020 to U.S.$18.1 million from U.S.$11.0 million in 2019. This was principally due to an increase in the re-lease maintenance expense incurred on transitioning aircraft and heavy maintenance expense.

Operating profit

Reflecting the above factors, the Group's operating profit was U.S.$584.0 million in 2020 compared to U.S.$791.7 million in 2019, a fall of U.S.$207.7 million, or 26.2 per cent.

Net finance costs

The Group's net finance costs decreased by U.S.$44.3 million, or 11.7 per cent., in 2020 to U.S.$333.8 million from U.S.$378.1 million in 2019.

The Group's finance income decreased by U.S.$40.5 million, or 72.4 per cent., in 2020 to U.S.$15.5 million from U.S.$56.0 million in 2019 which related primarily to lower interest earned on notes receivable from shareholders, which were repaid in full in the first quarter of 2020.

The Group's finance expense decreased by U.S.$84.9 million, or 19.6 per cent., in 2020 to U.S.$349.3 million from U.S.$434.2 million in 2019. This decrease was primarily attributable to a reduction in interest expense as a result of a decrease in total loans and borrowings (net of debt issuance costs) from U.S.$8.3 billion as at 31 December 2019 to U.S.$7.9 billion as at 31 December 2020. In addition, the Group's average cost of debt decreased to 3.9 per cent. at 31 December 2020 from 4.5 per cent. at 31 December 2019.

Income tax expense

The Group's tax charge is primarily driven by tax arising on its Irish activities. During 2020, the Group recorded a tax expense of U.S.$21.3 million compared to tax expense of U.S.$36.1 million in 2019. The decrease was primarily due to a reduction in profits attributable to the Group's activities carried out in Ireland in 2020.

Profit for the year

Reflecting the above factors, the Group's profit for 2020 decreased by U.S.$148.6 million, or 39.4 per cent., to U.S.$228.9 million from U.S.$377.5 million in 2019."

The following information is included as a new fifth paragraph under the heading "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Liquidity*":

"The Group's total loans and borrowings (net of debt issuance costs) increased to U.S.$8.5 billion as at 31 March 2021 from U.S.$7.9 billion as at 31 December 2020 and U.S.$8.3 billion at 31 December 2019. The increase in the three months ended 31 March 2021 was primarily due to the issuance of U.S.$1,550.0 million aggregate principal amount of senior unsecured notes during that period.

The decrease in the Group's total loans and borrowings (net of debt issuance costs) at 31 December 2020 compared to 31 December 2019 was primarily due to the repayment of certain loans and principal amortization during 2020. During 2020, the Group repurchased U.S.$192.1 million principal amount of senior unsecured notes.

As at 31 March 2021 the Group's level of unsecured debt was 66.2 per cent. compared to 62.6 per cent. as at 31 December 2020. The Group's average cost of debt as at 31 March 2021 was 3.9 per cent. which was in line with the average cost as at 31 December 2020 and the Group's weighted average debt maturity as at 31 March 2021 was 4.3 years compared to 4.1 years as at 31 December 2020.

As at 31 December 2020, the Group's level of unsecured debt was 62.6 per cent. compared to 61.6 per cent. as at 31 December 2019. The Group's average cost of debt as at 31 December 2020 decreased to 3.9 per cent. from 4.5 per cent. as at 31 December 2019 and the weighted average debt maturity as at 31 December 2020 was 4.1 years compared to 4.6 years as at 31 December 2019.

The Group's net debt to equity ratio was 2.65:1 times as at 31 March 2021 compared to 2.57:1 times as at 31 December 2020 and 2.64:1 times as at 31 December 2019. The Group's available liquidity was U.S.$3.3 billion as at 31 March 2021 increasing from U.S.$2.7 billion as at 31 December 2020 and U.S.$2.4 billion as at 31 December 2019.

The Group's total equity was U.S.$2,928.1 million as at 31 March 2021 and U.S.$2,891.1 million as at 31 December 2020. The Group's total equity increased in the three months ended 31 March 2021 due primarily to the movement in other reserves and profit after tax for the three months ended 31 March 2021. The Group's total equity was U.S.$2,891.1 million as at 31 December 2020 and U.S.$3,053.6 million as at 31 December 2019. The Group's total equity decreased in 2020 due primarily to the repurchase of shares and movement in other reserves offset by profit after tax for the year ended 31 December 2020."

The following information is included under the heading "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Cash flows*".

The following replaces the first sentence and the first table in that section:

"The table below summarizes the Group's consolidated statement of cash flows for each of the three month periods ended 31 March 2021 and 31 March 2020, and the years ended 31 December 2020 and 31 December 2019:

	Three months ended 31 March	
	2021	**2020**
	(U.S.$ million)	
Net cash generated from operating activities	218.0	246.2
Net cash (used in)/from investing activities	(333.2)	812.8
Net cash from/(used in) financing activities	363.6	(710.2)
Cash and cash equivalents at the beginning of the period	469.0	228.5
Cash and cash equivalents at the end of the period	717.4	577.3

	Year ended 31 December	
	2020	**2019**
	(U.S.$ million)	
Net cash generated from operating activities	867.9	1,298.2
Net cash from investing activities	316.6	144.5
Net cash used in financing activities	(944.0)	(1,407.2)
Cash and cash equivalents at the beginning of the year	228.5	193.0
Cash and cash equivalents at the end of the year	469.0	228.5

"

The following information replaces the section headed "Operating cash flow—Nine-month periods ended 30 September 2020 and 30 September 2019 compared":

"Three-month periods ended 31 March 2021 and 31 March 2020 compared

In the three months ended 31 March 2021, the Group generated net cash from operating activities of U.S.$218.0 million compared to U.S.$246.2 million in the corresponding period of 2020, a decrease of U.S.$28.2 million, or 11.5 per cent. This movement was primarily due to lower maintenance receipts and an increase in accrued revenue (representing deferred rentals) which were offset by a decrease in trade and other receivables.

2020 and 2019 compared

In 2020, the Group generated net cash from operating activities of U.S.$867.9 million compared to U.S.$1,298.2 million in 2019, a decrease of U.S.$430.3 million, or 33.1 per cent. This movement was primarily due to lower maintenance receipts, an increase in trade and other receivables, an increase in accrued revenue (representing deferred rentals) and an increase in finance lease and loan receivables."

The following information replaces the section headed "Investing cash flow—Nine-month periods ended 30 September 2020 and 30 September 2019 compared":

"Three-month periods ended 31 March 2021 and 31 March 2020 compared

In the three months ended 31 March 2021, the Group's net cash used in investing activities was U.S.$333.2 million compared to net cash from investing activities of

U.S.$812.8 million in the corresponding period of 2020. The cash used in investing activities in 2021 primarily reflected capital expenditure which was offset by proceeds from aircraft sales. The cash from investing activities for the 2020 period reflected a higher level of proceeds from sale of aircraft and the repayment of notes receivable by the Group's shareholders in 2020 partially offset by capital expenditure.

2020 and 2019 compared

In 2020, the Group's net cash from investing activities was U.S.$316.6 million compared to U.S.$144.5 million in 2019, an increase of U.S.$172.1 million. This movement was primarily due to a cash inflow from the repayment of notes receivable by the Group's shareholder in 2020. In addition, the Group acquired a lower number of aircraft in 2020 compared to 2019 although this was substantially offset by lower proceeds received from the sale of aircraft in 2020 compared to 2019. Proceeds from the sale of aircraft in 2019 included U.S.$255.6 million of advanced proceeds relating to sales completed in 2020."

The following information replaces the section "Financing cash flow—Nine-month periods ended 30 September 2020 and 30 September 2019 compared":

"Three-month periods ended 31 March 2021 and 31 March 2020 compared

In the three months ended 31 March 2021, the Group's net cash from financing activities was U.S.$363.6 million compared to net cash used in financing activities of U.S.$710.2 million in the corresponding period of 2020. This movement was due to an increase in net drawdowns of borrowings and a decrease in share repurchases offset by an increase in debt issuance costs during the three months ended 31 March 2021 compared to the three months ended 31 March 2020.

The Group's cash and cash equivalents as at 31 March 2021 were U.S.$717.4 million, an increase of U.S.$140.1 million, compared to U.S.$577.3 million as at 31 March 2020. The Group's total cash and cash resources, which includes restricted cash, were U.S.$812.6 million as at 31 March 2021, an increase of U.S.$246.1 million compared to U.S.$566.5 million as at 31 December 2020.

2020 and 2019 compared

In 2020, the Group's net cash used in financing activities was U.S.$944.0 million compared to U.S.$1,407.2 million in 2019, a decrease of U.S.$463.2 million. This movement was due to U.S.$685.4 million lower net repayments of borrowings and a U.S.$69.8 million decrease in cash interest paid, offset by U.S.$143.1 million higher share repurchases and U.S.$102.1 million higher debt repurchases in each case in 2020 compared to 2019.

The Group's cash and cash equivalents as at 31 December 2020 were U.S.$469.0 million, an increase of U.S.$240.5 million, compared to U.S.$228.5 million as at 31 December 2019. The Group's total cash and cash resources, which includes restricted cash, were U.S.$566.5 million as at 31 December 2020, an increase of U.S.$200.5 million compared to U.S.$366.0 million as at 31 December 2019."

The last paragraph under the heading "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Risk Management*" is deleted and replaced by the following:

> "As a result of the impact of measures put in place around the world to try to contain the spread of COVID-19 on the Group's customers, the Group's credit risk increased during the previous year. This is reflected both in the Group's total net trade and other receivables balances which amounted to U.S.$118.2 million as at 31 March 2021 compared to U.S.$142.0 million as at 31 December 2020 and U.S.$69.1 million as at 31 December 2019. In addition, the Group recorded an increase in its loss allowance for trade receivables, which increased to U.S.$67.0 million as at 31 March 2021 and U.S.$57.7 million as at 31 December 2020 compared to U.S.$14.5 million as at 31 December 2019."

AMENDMENTS TO CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The information under the heading "*Certain Relationships and Related Party Transactions—Loans and Borrowings*" is deleted and replaced by the following:

> "The Group's loans and borrowings (before debt issuance costs) from its related parties amounted to U.S.$1,025.8 million, or 12.0 per cent. of its total loans and borrowings (before debt issuance costs), as at 31 March 2021, compared to U.S.$1,116.9 million, or 14.0 per cent., as at 31 December 2020, U.S.$1,067.7 million, or 12.7 per cent., as at 31 December 2019 and U.S.$948.4 million, or 10.1 per cent., as at 31 December 2018.
>
> Finance expense for the three months ended 31 March 2021 in respect of the Group's related party loans and borrowings (before debt issuance costs) amounted to U.S.$6.8 million compared to U.S.$36.0 million in 2020, U.S.$51.8 million in 2019 and U.S.$61.2 million in 2018."

The information under the heading "*Certain Relationships and Related Party Transactions—Compensation of Key Management Personnel*" is deleted and replaced by the following:

> "The total salaries and other benefits paid to the Group's key management personnel was U.S.$5.0 million in the three months ended 31 March 2021, U.S.$10.0 million in 2020, U.S.$8.3 million in 2019 and U.S.$7.9 million in 2018."

AMENDMENTS TO DESCRIPTION OF OTHER INDEBTEDNESS

The information under the heading "*Description of Other Indebtedness—Overview*" is deleted and replaced by the following:

> "The table below shows DAE's outstanding indebtedness (including its related party indebtedness other than shareholder loans) by type of lending and the number of aircraft secured against type of lending as at 31 March 2021:

Debt	Number of aircraft as at		Outstanding debt as at		
	31 March	31 March	31 December		
	2021	2021	2020	2019	2018
		(U.S.$ million)			
Non-recourse obligations	5	149.4	155.0	167.0	828.2
Recourse obligations (including ECA,EXIM and EDC)	96	2,575.2	2,652.1	2,844.6	3,995.0
Secured term loan	9	175.1	180.5	204.9	228.2
Unsecured facilities (including term loans)		1,185.5	1,257.9	1,169.4	357.1
Senior unsecured notes		4,060.8	2,976.4	2,857.6	2,949.2
Revolving credit facilities (drawn amount)		426.4	762.3	1,132.7	1,001.6
Lines of credit		-	-	-	-
Total recourse obligations	**105**	**8,423.0**	**7,829.2**	**8,209.2**	**8,531.1**
Total	**110**	**8,572.4**	**7,984.2**	**8,376.2**	**9,359.3**
Unencumbered aircraft	193	-	-	-	-
Total	**303**	**-**	**-**	**-**	**-**

In addition to the encumbered aircraft securing the obligations listed above, which had a total net book value of U.S.$4,802.2 million as at 31 March 2021, 193 aircraft, with a total net book value of U.S.$6,871.7 million were unencumbered as at 31 March 2021.

All the facilities listed above contain various customary financial and non-financial loan covenants, including:

- financial information obligations;
- limitations on activities which would negatively impact concentration limits such as regional location of lessees and types of aircraft in the portfolio; and
- loan to value maintenance ratio covenant.

In the three months ended 31 March 2021, the Group's total loans and borrowings before debt issuance costs increased to U.S.$8,572.4 million as at 31 March 2021 from U.S.$7,984.2 million as at 31 December 2020. The increase was primarily due to the issuance of senior unsecured notes during the three months ended 31 March 2021. As at 31 March 2021, the Group's level of unsecured debt increased to 66.2 per cent. compared to 62.6 per cent. as at 31 December 2020. The Group's average cost of debt was 3.9 per cent. in the three months ended 31 March 2021, which was in line with 2020 and the weighted average debt maturity as at 31 March 2021 was 4.3 years compared to 4.1 years as at 31 December 2020.

In 2020, the Group's total loans and borrowings before debt issuance costs decreased to U.S.$7,984.2 million as at 31 December 2020 from U.S.$8,376.2 million as at 31 December 2019. The decrease was primarily due to the repayment of certain loans and principal amortization during 2020. As at 31 December 2020, the Group's level of unsecured debt increased to 62.6 per cent. compared to 61.6 per cent. as at 31 December 2019. The Group's average cost of debt was 3.9 per cent. in 2020 compared to 4.5 per cent. in 2019 and the weighted average debt maturity was 4.1 years as at 31 December 2020 compared to 4.6 years as at 31 December 2019.

In 2019, the Group's total loans and borrowings before debt issuance costs decreased to U.S.$8,376.2 million as at 31 December 2019 from U.S.$9,359.3 million as at 31 December 2018. The decrease was primarily due to the early repayment of certain loans and principal amortization during 2019. As at 31 December 2019, the Group's level of unsecured debt increased to 61.6 per cent. compared to 46.0 per cent. as at 31 December 2018. The Group's average cost of debt was 4.5 per cent. in 2019 which was in line with 2018 and the weighted average debt maturity was 4.6 years as at 31 December 2018 compared to 5.2 years as at 31 December 2018.

The table below shows the aggregate principal and contractual repayment amount of loans for periods after 31 March 2021.

	Principal cash flow[1]	Contractual cash flows
	(U.S.$ million)	
Due within one year	1,192.9	1,495.4
Due within one and five years	5,706.2	6,436.7
Due after five years	1,631.4	1,768.8
Total	8,530.5	9,700.9

Notes:

(1) Contractual cash flows include both scheduled payments of principal and interest after the impact of derivatives."

AMENDMENTS TO THE GROUP'S BUSINESS

The following is added after the last paragraph under the heading "*The Group's Business—Business Overview—Aircraft Leasing division (DAE Capital)*":

"The Group's Owned Portfolio, weighted by Cirium/Ascend half-life current market value, comprised 59 per cent. Boeing aircraft, 33 per cent. Airbus aircraft and 8 per cent. ATR aircraft as of 31 March 2021. The Owned Portfolio had a fleet utilization rate based on rentals of 98.6 per cent. as of 31 March 2021."

The following is added after the last paragraph under the heading "*The Group's Business—Business Overview—Engineering (Joramco)*":

"Joramco's 10 largest customers in revenue terms for the three years ending 31 December 2020 accounted for 62 per cent. of its revenue and in geographic terms over the same period its top 10 countries accounted for 82 per cent. of its revenue.

As at 31 March 2021, 51 per cent. of Joramco's customers were flag and network carriers, 24 per cent. were low cost airlines, 17 per cent. were leisure carriers, 6 per cent. were freight carriers and 2 per cent. were aircraft lessors."

The following is added after the last paragraph under the heading "The Group's Business—Lessee Overview":

"In country terms and by Cirium/Ascend half-life current market as at 31 March 2021, 67 per cent. of the Owned Portfolio was attributable to airlines with their principal place of business located in the UAE, Bahrain, Russia, China, India, Brazil, Japan, Vietnam, the USA and Fiji. By Cirium/Ascend half-life current market as at 31 March 2021, 52 per cent. of the Owned Portfolio was attributable to the ten largest airline lessees.

As at 31 March 2021, 52 per cent. of the Group's leasing customers were flag and network carriers, 20 per cent. were low cost airlines, 17 per cent. were freight carriers,6 per cent. were regional carriers and 5 per cent. were leisure carriers."

SIGNIFICANT OR MATERIAL CHANGE

The information under the sub-heading "*Significant or Material Change*" is deleted and replaced by the following:

> "Save as disclosed in "*Description of the Issuer*", there has been no significant change in the financial position or trading position of the Issuer, and there has been no material adverse change in the prospects of the Issuer, in each case since its incorporation on 30 May 2017.
>
> Save as disclosed in "*Risk factors—Risks related to the Group's business and industry—The Group is exposed to material and currently not fully quantifiable disruptions arising from the Coronavirus disease 2019 (COVID-19)*", there has been no significant change in the financial position or trading position of the Guarantor since 31 March 2021 and there has been no material adverse change in the prospects of the Guarantor since 31 December 2020."