Company Registration No. SC462050 (Scotland)

TS PRESTWICK HOLDCO LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

TS PRESTWICK HOLDCO LTD

COMPANY INFORMATION

Directors	S Beckwith I Forgie W Mackie
Company number	SC462050
Registered office	Scottish Government 5 Atlantic Quay 150 Broomielaw Glasgow Lanarkshire United Kingdom G2 8LU
Auditor	Azets Audit Services 6th Floor, Bank House 8 Cherry Street Birmingham United Kingdom B2 5AL

TS PRESTWICK HOLDCO LTD

CONTENTS

TS PRESTWICK HOLDCO LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2026

TS Prestwick Holdco Ltd ("The Group") owns and operates Glasgow Prestwick Airport in Ayrshire, Scotland, as well as managing an investment property portfolio. The directors present their strategic report for the year ended 31 March 2026.

Performance and future developments
After four years of sustained annual growth, 2025/26 has been a transformational year for the Group, marking a step-change in its strategic positioning as a diversified aviation and logistics hub. Revenue growth was strong, up 26% to £62.6m and operating profit growth was up 13% at £3.9m (2024/25: £3.5m), partially offset by start-up and implementation costs associated with the rapid expansion of new cargo services in the latter half of the year. This performance reflects continued delivery of the Board's growth strategy, with customer growth and asset optimisation at its core. The Group has continued to leverage its existing infrastructure and cost base to drive increased utilisation across passenger, cargo, fuel and property activities.

Key performance indicators are set out below:

Key Performance Statistics	25/26	24/25	Mvt (%)
Total Freight (Metric Tonnes '000)	**46**	10	360%
Total Passengers ('000)	**604**	546	11%
Fuel Volumes (Million litres)	**44**	36	22%
Average FTEs	**432**	322	34%
	£m	***£m***	
Revenue	**62.6**	49.5	26%
Operating Profit	**3.9**	3.5	11%
Gain on revaluation of IP	**0.6**	0.5	20%
Net finance costs	**(2.9)**	(3.0)	-3%
Total Profit for Year	**1.6**	0.9	78%

Cargo has been the primary driver of growth during the year. Freight volumes increased significantly to over 46,000 metric tonnes, reflecting the successful execution of the Group's strategy to position Prestwick as a leading UK cargo gateway. The development of long-haul scheduled cargo connectivity, particularly with Asian markets, has driven both import and export growth, supported by investment in cold storage, handling capabilities and bonded warehouse infrastructure. This progress represents a structural shift in the Airport's business model and underpins future growth expectations.

Passenger operations also experienced steady growth, with total passenger numbers increasing by 11% to over 600,000. The Group continues to benefit from its long-standing airline partnership with Ryanair, with increased frequencies and routes supporting inbound tourism and outbound leisure travel. Customer service performance remains strong, reinforcing the Airport's reputation for operational efficiency and passenger satisfaction.

Prestwick continues to play a strategically important role in military and defence operations, handling RAF, USAF and NATO-aligned aircraft generating strong fuel volumes and revenues. The Airport hosted a range of operational deployments and training exercises during the year and continues to strengthen its reputation as a key UK defence aviation hub. This is further evidenced by the decision of the Ministry of Defence to relocate its Voyager fleet at the airport for five months from July 2026 whilst essential resurfacing and improvement works on the airfield operating surface at RAF Brize Norton are carried out.

The commercial property portfolio remains a stable contributor to Group performance, with high occupancy levels across the estate. Demand for aviation-linked and industrial space across the estate remains strong, supported by regional economic development and continued investment in aerospace and training facilities.

Ryanair continues to invest significantly in its engineering and maintenance operations at Prestwick. In March 2026, the airline announced a £40m expansion of its heavy maintenance facility, with the construction of an additional four-bay hangar and workshops, increasing capacity and reinforcing Prestwick's position as the largest engineering hub within the airline's network. This follows the opening of Ryanair's Prestwick training academy in 2024, and collectively these developments support the creation of highly skilled jobs, strengthening engineering capability and position the Airport as a centre for aviation skills and training.

Sustainability remains a core strategic priority. The Group continues to target its 2030 carbon reduction ambitions, although delivery progress has been more gradual in the current period as growth investment has been prioritised and phased. The business remains committed to energy efficiency initiatives and infrastructure upgrades, with a focus on optimising returns. The introduction of sustainable aviation fuel mandates, together with ongoing energy optimisation across the campus, supports both environmental and cost objectives.

The Group remains committed to delivering positive social and economic impact alongside its commercial activities. In November 2025, the Airport hosted its second "Run the Runway" charity event, attracting over 1,000 participants and together with the community, raised more than £163,000 for local cancer charities. This initiative reinforces the Airport's strong connection to the community and its ability to support meaningful outcomes beyond its core operations.

During the year, the Group's shareholder progressed a process to explore the potential return of Glasgow Prestwick Airport to private ownership. A preferred bidder was identified and a period of exclusivity entered into, during which detailed negotiations resulted in an advanced commercial agreement. In November 2025, the preferred bidder withdrew from the process and, accordingly, the proposed transaction did not proceed. The Group therefore remains in public ownership as a self-funding public entity. No material impact on trading performance or delivery of the Group's strategy arose as a result of the process, and the Board and shareholder remain aligned on the long-term objective of maximising the airport's value and its contribution to the Scottish economy. The Group continues to execute its growth strategy, which is designed to deliver sustainable performance irrespective of ownership structure.

Early in 2025, our CEO Ian Forgie intimated his intention to retire from full-time employment. However, he agreed to extend his tenure as CEO to lead the development of key strategic activities, including the rapid development of our cargo business over the last 12 months. Ian will formally step down as CEO on 30 June 2026 and, on behalf of the Board and management, I would like to acknowledge his significant contribution during his tenure as CEO over the past five years. Ian and his team have delivered unprecedented growth across our key income lines over this time, turning the business from loss-making to profitable and successfully repositioning the Airport as an international cargo import and export hub. Following an external market review in recent months, the Board was pleased to appoint internal candidate Jules Matteoni as CEO with effect from 1 July 2026, ensuring continuity of management as we enter this next phase of growth.

We thank our customers and our employees for their continued passion, support and commitment to the Airport. Looking ahead, the Board expects continued expansion across key business segments, particularly cargo and associated logistics infrastructure. Investment in capacity, customer relationships and operational resilience will remain central to delivering long-term sustainable growth.

Principal risks and uncertainties

The Group maintains a structured risk management framework supported by internal controls, governance processes and Board oversight. The principal risks have evolved during the year in line with the Group's growth trajectory and broader macroeconomic conditions.

- Macroeconomic and geopolitical uncertainty continues to present risks to both passenger demand and global trade flows, particularly in relation to tariffs, currency movements and inflation. Supply chain risks have increased following changes in fuel infrastructure, requiring greater reliance on alternative logistics routes.
- The rapid expansion of cargo operations introduces execution risks, including operational capacity, infrastructure delivery and workforce capability. These are being mitigated through phased investment, recruitment and training strategies.
- The Group remains exposed to customer concentration risk, financial risks (including credit, liquidity and market risks), regulatory compliance and climate-related risks. These are actively monitored and managed through established governance frameworks.

Credit risk – is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the companies receivables from customers. This risk is actively managed and remains low.

Liquidity risk – is the risk that the group will not be able to meet its financial obligations as they fall due. Cash flow forecasts have been produced and this risk is actively managed.

Price risk – is the risk that changes in market prices, such as foreign exchange rates, interest rates, equity prices and tariffs will affect the group's income or value of financial instruments it holds. The group buys and sells aviation fuel in US dollars and is naturally hedged for the cost of fuel minimising this risk.

Directors' section 172 statement

The board of directors have collectively and individually promoted the Group's success for all its stakeholders during the financial year ending 31st March 2026. Working together, we continue to develop our strategy and processes to deliver a sustainable business model which will secure the long-term position of the Airport as a strategic asset for the shareholder and as a key infrastructure component delivering benefit for the Ayrshire, Scottish and UK economies in terms of both jobs and wealth creation.

During the year, the Board approved significant investment in cargo infrastructure to support long-term growth and employment, maintained strong engagement with airline partners to ensure route stability and expansion, supported workforce development aligned with operational growth and continued to prioritise safety, environmental responsibility and community engagement. The Group continues to respect the communities in which it operates, and we are in regular communication with local government and regulatory agencies responsible for the environment and infrastructure in which we work.

The board of directors is committed to behaving responsibly and maintaining the reputation of the business through impeccable conduct and strong governance, sharing high quality information and conducting regular meetings.

These actions reflect the Board's commitment to sustainable growth, strong governance and long-term stakeholder value.

On behalf of the board

Willie Mackie
Willie Mackie (Jun 29, 2026 21:02:40 GMT+1)

W Mackie
Director

29 June 2026

The directors present their annual report and financial statements for the year ended 31 March 2026.

Principal activities
The principal activity of the Group is the ownership and operation of Glasgow Prestwick Airport ("GPA") and other subsidiaries which includes investment properties.

Results and dividends
The results for the year are set out on page 11.

The directors do not propose the payment of a dividend in respect of the current year (2025: £nil).

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

I Forgie
W Mackie
S Beckwith

Supplier payment policy
The group's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The group's current policy concerning the payment of trade creditors is to:
- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the group at the year end were equivalent to 21 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Financial instruments
The Group's policy is to minimise the use of complex financial instruments.

Disabled persons
The group recognises its obligations to give disabled people full and fair consideration for all vacancies subject to the statutory medical requirements which have to be met for certain grades of staff. Wherever reasonable and practicable, the Group will retain existing employees who become disabled and at the same time provide fair opportunities for the career development of disabled people.

Employee involvement
The airport continues to engage fully with its employees, regularly exchanging information concerning the operation of the airport and providing them with information on matters of concern to them as employees. Consultation with representatives of staff has continued to take place on a regular basis, so that the views of employees can be taken into account in making decisions which are likely to affect their interests.

Auditor
The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report	**2026**	**2025**
Energy consumption	**mWh**	**mWh**
Aggregate of energy consumption in the year	9.8	9.2

	2026	**2025**
Emissions of CO2 equivalent	**metric tonnes**	**metric tonnes**
Scope 1 - direct emissions		
- Gas combustion	649	598
- Heating oil	56	79
- Fuel consumed for owned transport	503	402
	1,208	1,079
Scope 2 - indirect emissions		
- Electricity purchased	714	836
Total gross emissions	1,922	1,915
Intensity ratio		
Kilogrammes CO2e per Tonne of Freight handled	41.7	199.1
Kilogrammes CO2e per passenger	3.2	3.5

Quantification and reporting methodology

In line with the UK Government's Streamlined Energy and Carbon Reporting (SECR) framework, implemented on 1 April 2019 under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations, the Group is disclosing its annual energy consumption and carbon emissions for the financial year ended 31 March 2026. We have followed the 2019 HM Government Environmental Reporting Guidelines and used the GHG Reporting Protocol - Corporate Standard and the 2025 UK Government GHG Conversion Factors for Company Reporting.

Intensity measurement

Given the material shift in the business towards cargo operations in the year we have chosen to measure two intensity measurement ratios:

total gross emissions in kilogrammes CO2e per Tonne of Freight handled
- total gross emissions in kilogrammes CO2e per passenger

Measures taken to improve energy efficiency

Sustainability is a key strategic pillar for the airport; we are focussed on a 2030 carbon reduction target of 50% and have committed to reach net zero by 2045. The first baseline carbon assessment (Scope 1 and Scope 2 emissions) was produced in FY23, to assess the cost and carbon savings impacts of key energy efficiency projects delivered since 2019. This marked the beginning of the airport's journey to formally develop net zero targets and timelines.

Significant business growth in cargo operations, driven by e-commerce imports and the successful development of sustainable bi-lateral exports of seafood, pharmaceuticals and whisky, have contributed to an increase in gross carbon emissions. However, focus has continued on improving energy efficiency across our extensive buildings network and decarbonising our fleet assets. Some examples of projects and initiatives are:

- Electricity consumption reduced in FY26, despite business growth. Real time power monitoring and environmental management initiatives have identified energy wastage reduction opportunities and provided data led intelligence to guide capital and retrofit projects. Targeted occupancy driven approach to energy management programmes and localised controls is being rolled out across site.
- Reduced heating oil consumption in Air Traffic Control Tower through isolating sections of oil fired heating system and improving local controls. Fully controllable electric powered heating system (AC and infra-red) being installed in FY27.
- Ongoing lighting efficiency and standardisation (high specification LED units) and improved lighting controls projects in areas including Departures, Arrivals, Duty Free, external car parks, roadways and freight.
- Strategic investment in fleet assets. All GPUs powered by ultra-low emission Euro 6 engines, new low emission Trepel 14 tonne cargo loader and low emission Ambulift, 85% electric tugs fleet and 30% of forklifts now electric with more trucks on order. Remaining LPG forklifts to be replaced by electric models over next two financial years.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board

I Forgie
Director

29 June 2026

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom and have also chosen to prepare the parent company financial statements in accordance with Financial Reporting Standard (FRS) 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:
- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

In preparing the parent company financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TS PRESTWICK HOLDCO LTD

Opinion

We have audited the financial statements of TS Prestwick Holdco Ltd (the ‘parent company’) and its subsidiaries (the ‘group’) for the year ended 31 March 2026 which comprise the group statement of comprehensive income, the group and parent company statement of financial position, the group and parent company statement of changes in equity, the group statement of cash flows and the group and parent company notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework’ (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group’s and of the parent company’s affairs as at 31 March 2026 and of the group’s profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Financial Reporting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practices; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council’s website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management, external legal counsel and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report
This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Ben Sheldon ACA(Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 29 June 2026

Chartered Accountants
Statutory Auditor

6th Floor, Bank House
8 Cherry Street
Birmingham
United Kingdom
B2 5AL

TS PRESTWICK HOLDCO LTD

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Revenue	3	62,595	49,495
Cost of sales		(52,412)	(41,430)
Gross profit		10,183	8,065
Administrative expenses		(6,258)	(4,570)
Operating profit	4	3,925	3,495
Investment revenues		265	343
Finance costs	8	(3,119)	(3,375)
Other gains and losses	9	556	475
Profit before taxation		1,627	938
Income tax expense	10	-	-
Profit and total comprehensive income for the year		1,627	938

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The notes on pages 15 to 36 form part of these group financial statements.

TS PRESTWICK HOLDCO LTD

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

		2026	2025
	Notes	**£'000**	**£'000**
Non-current assets			
Property, plant and equipment	**12**	27,354	17,547
Investment property	**13**	14,914	16,818
		42,268	34,365
Current assets			
Inventories	**14**	425	282
Trade and other receivables	**15**	11,124	6,228
Cash and cash equivalents		11,781	14,254
		23,330	20,764
Current liabilities			
Trade and other payables	**17**	31,435	22,586
Borrowings	**18**	43,400	43,400
		74,835	65,986
Net current liabilities		(51,505)	(45,222)
Non-current liabilities			
Trade and other payables	**17**	853	860
Net liabilities		(10,090)	(11,717)
Equity			
Retained earnings		(10,090)	(11,717)

The financial statements were approved by the board of directors and authorised for issue on 29 June 2026 and are signed on its behalf by:

I Forgie
Director

Company Registration No. SC462050

TS PRESTWICK HOLDCO LTD

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 April 2024	-	(12,655)	(12,655)
Year ended 31 March 2025:			
Profit and total comprehensive income	-	938	938
Balance at 31 March 2025	-	(11,717)	(11,717)
Year ended 31 March 2026:			
Profit and total comprehensive income	-	1,627	1,627
Balance at 31 March 2026	-	(10,090)	(10,090)

The notes on pages 15 to 36 form part of these group financial statements.

TS PRESTWICK HOLDCO LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

		2026		2025	
	Notes	**£'000**	**£'000**	**£'000**	**£'000**
Cash flows from operating activities					
Cash generated from operations	**27**		3,737		4,732
Net cash inflow from operating activities			3,737		4,732
Investing activities					
Purchase of property, plant and equipment (less additions within accruals)		(6,483)		(7,421)	
Proceeds from disposal of property, plant and equipment		8		41	
Interest received		265		343	
Net cash used in investing activities			(6,210)		(7,037)
Net decrease in cash and cash equivalents			(2,473)		(2,305)
Cash and cash equivalents at beginning of year			14,254		16,559
Cash and cash equivalents at end of year			11,781		14,254

The notes on pages 15 to 36 form part of these group financial statements.

1 Accounting policies

Company information

All subsidiary undertakings are included in the consolidated financial statements. The holding company is a private limited company limited by shares and registered at Scottish Government 5 Atlantic Quay, 150 Broomielaw, Glasgow, Scotland, G2 8LU and all subsidiary companies are registered at Aviation House, Prestwick, Ayrshire, KA9 2PL.

The group consists of TS Prestwick Holdco Limited and all of its subsidiaries.

1.1 Accounting convention

The group financial statements have been prepared and approved by the directors in accordance with UK adopted International Accounting Standards. The company has elected to prepare its parent company financial statements in accordance with FRS 101.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared prepared under the historical cost convention, except for investment properties and land (see accounting policy 1.6). The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company TS Prestwick Holdco Limited together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 March 2026. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group’s financial statements from the date that control commences until the date that control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

1 Accounting policies **(Continued)**

1.3 Going concern

As outlined in the Strategic Report, the Group continues to see a positive trajectory in operating profit before exceptional items over the last five years. When combined with the breadth and depth of experience of the board and management team and the confidence and support of our shareholder, the directors believe that in the medium to long term, the airport will continue the success of recent years. The financial statements have therefore been prepared on the going concern basis.

The Group has overall net liabilities of £10.1m (2025: £11.7m) which includes amounts due to The Scottish Government in respect of historical loan funding. The loan balance, as of 31st March 2026 was £43.4m and together with accrued interest of £18.6m, the balance included within net liabilities is £62.0m (2025: £58.9m).

The Scottish Government acquired Prestwick Airport in 2013 and financially supports the business through the provision of long-term loan finance. The airport has not draw down funds for over seven years and does not expect to require any additional loan support in the next 12 months. The Group has £11.8m (2025: £14.3m) of cash reserves as at the balance sheet date to support future investment in assets that support its growth strategy.

The Scottish Government has provided written confirmation to the directors that it will ensure that the group is able to maintain adequate financial resources to meet its obligations and that it will not seek repayment of the whole of the loan facility or accrued interest for at least a period of 18 months from the date of approval of these financial statements, although support is expected to continue beyond this date for the foreseeable future to allow the airport to deliver its business plan for a sustainable future. As with any group placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue; however, at the date of approval of these financial statements, they have no reason to believe this would be the case.

The Scottish Government and Scottish Ministers continue to strongly support the board and consider the airport as a long-term strategic asset. Based on this the board is confident that the Scottish Government will continue to defer repayment of the outstanding loans and accrued interest thereon for the foreseeable future (at least 12 months from the date of approval of these financial statements) and until a suitable financial restructure can be agreed by both parties, or alternatively on a future sale of the business.

The directors consider that this enables the group to continue in operational existence for at least the 12 months following approval of these financial statements, meeting its liabilities as they fall due, other than the repayment of amounts outstanding to Transport Scotland as noted above.

The directors have prepared profit and cash flow forecasts to 31st March 2028, at least 12 months from the date of approval of these financial statements, which have been sensitised to take account of reasonably possible downside risks, including interest rate fluctuations and price inflation. The directors have concluded that given the diverse nature of the Group and the significant income from both freight and military revenue streams, the downside risks do not create a material uncertainty with regards to going concern. The Group will have sufficient funds to meet its liabilities as they fall due for the foreseeable future and requires no additional financial support.

For the reasons set out above, the directors have prepared the financial statements on a going concern basis and have concluded that there are no material uncertainties related to going concern.

1 Accounting policies **(Continued)**

1.4 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

When entering into contracts with customers, the company assesses whether the contract contains multiple performance obligations. Where this is the case, the contract is unbundled into separate performance obligations, each representing a distinct good or service that is capable of being separately identified. The transaction price is then allocated to each performance obligation based on the relative stand-alone selling prices of those goods or services. Revenue is recognised separately for each performance obligation as control is transferred to the customer.

The group recognises revenue from the following major sources:

- Cargo
- Passenger
- Fixed Base Operations
- Fuel
- Aerodrome
- Property income

The nature, timing of satisfaction of performance obligations and significant payment terms of the group's major sources of revenue are as follows:

Cargo

Cargo revenue including landing navigation parking and handling are based upon a combination of weight and time parked and are recognised at point of departure. Cargo handling, bond storage, transhipment and screening charges are all recognised when the goods leave the airport facility.

Passenger

Passenger aircraft charges including landing navigation parking and handling are based upon a combination of weight and time parked and are recognised at point of departure. Various passenger charges for handling and security are recognised at point of departure. Car parking income is recognised at the point of exit for turn-up, short and long-stay parking. Concession income from retail and commercial concessions is recognised in the period to which it relates on an accrual basis.

Fixed Base Operations

Fixed Based Operations comprises income related to the provision of general aviation services to both private and military customers and recognised at the point of delivery. Aircraft charges including landing navigation parking and handling are based upon a combination of weight and time parked and are recognised at point of departure. All other services including provision of catering and accommodation are delivered and invoiced at the point of departure.

Fuel

Aviation fuel revenue is invoiced, priced and recognised based on the date of fuel supply and charged at the contracted or published sale price on that date.

Aerodrome

Aerodrome revenue comprises fees recognised at the point of delivery including aircraft landing navigation handling and parking charges relating to aircraft training, private aircraft, Ministry of Defence and Search and Rescue movements and radar services.

1 Accounting policies **(Continued)**

Property

Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease term. The contracts entered into are both short term and long term lease agreements. Other property income includes electricity, water, telecoms and repairs, all of which are incurred and charged at the point of consumption.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property in operational use	5% to 20% straight line
Office equipment	20% straight line
Computer equipment	10% to 20% straight line
Motor Vehicles	5% to 20% straight line
Plant, runway and equipment	33% straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

Assets under construction are not depreciated until available for use, at which point they are transferred to the relevant asset class.

1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model, net of depreciation and any impairment losses. The surplus or deficit on revaluation is recognised in profit or loss.

Investment properties which cease to meet the definition of investment property and have become owner occupied are transferred to property, plant and equipment at their fair value at the date of change in use.

1.7 Impairment of tangible and intangible assets

At each reporting end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the average cost principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.11 Financial liabilities

The group recognises financial debt when the group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group’s obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

Equity instruments issued by the parent company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

1 Accounting policies **(Continued)**

1.13 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the company’s business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. For investment property that is measured at fair value deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the Company’s business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1 Accounting policies **(Continued)**

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In applying the Group's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Investment property valuation

There are significant judgements and estimates in relation to the carrying value of investment properties. These pertain to capital sales values per square foot or acre, and yield rates. The directors carried out an in-house assessment in 2026 (prior year used an expert valuer, DM Hall LLP), to inform the fair value of key investment properties; the internal experienced property professional holds appropriate qualifications and has relevant knowledge of both local and national property markets, and also possesses in-depth understanding of the properties concerned.

3 Revenue

	2026	2025
	£'000	£'000
Revenue analysed by class of business		
Cargo	12,263	3,415
Passenger	6,033	5,407
Fixed Base Operations	6,441	4,772
Fuel	30,787	24,340
Aerodrome	3,720	7,598
Property	3,351	3,963
	62,595	49,495

	2026	2025
	£'000	£'000
Revenue analysed by geographical market		
United Kingdom	62,595	49,495

3 Revenue **(Continued)**

The Group operates a number of revenue streams and accordingly applies methods for revenue recognition, based on the principles set out in IFRS 15. The revenue and profits recognised in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed (so 'point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	**2026 £'000**	**2025 £'000**
Exchange gains	(51)	(11)
Depreciation of property, plant and equipment	2,010	1,295
Profit on disposal of property, plant and equipment	(8)	(41)

5 Employees

The parent company has no employees, in the current or prior year.

	2026 Number	**2025 Number**
Administrative and managerial	49	39
Operational	421	320
Total	470	359

Their aggregate remuneration comprised:

	2026 £'000	**2025 £'000**
Wages and salaries	16,157	12,276
Social security costs	1,765	1,119
Pension costs	896	790
	18,818	14,185

6 Directors' remuneration

	2026 £'000	**2025 £'000**
Remuneration for qualifying services	646	384
Company pension contributions to defined contribution schemes	76	82
	722	466

6 Directors' remuneration **(Continued)**

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2026 £'000	2025 £'000
Remuneration for qualifying services	368	211
Company pension contributions to defined contribution schemes	59	42

The average number of Directors serving in the group during the year including non-executive directors was 7 (2025: 7). The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2025: 2).

7 Auditor's remuneration

Fees payable to the company's auditor and associates:	2026 £'000	2025 £'000
For audit services		
Audit of the financial statements of the group and company	4	4
Audit of the financial statements of the company's subsidiaries	65	63
	69	67
For other services		
Other services	7	7

8 Finance costs

	2026 £'000	2025 £'000
Interest on loan from Transport Scotland on behalf of Scottish Ministers	3,119	3,375

9 Other gains and losses

	2026 £'000	2025 £'000
Gain on revaluation of investment properties	556	475

10 Income tax expense

	2026	2025
	£'000	£'000

The charge for the year can be reconciled to the profit per the income statement as follows:

	2026	2025
	£'000	£'000
Profit before taxation	1,627	938
Expected tax charge based on a corporation tax rate of 25.00% (2025: 25.00%)	407	235
Effect of expenses not deductible in determining taxable profit	384	(78)
Income not taxable	(141)	(119)
Other permanent differences	-	1
Movement on deferred tax asset not recognised	(728)	(67)
Fixed asset differences	78	28
Taxation charge for the year	-	-

The group has unrecognised deferred tax assets of £11.9m (2025: £12.9m) which includes £10.6m (2025: £11.6m) relating to tax losses and £1.3m (2025: £1.2m) relating to accelerated capital allowances. The group has deferred tax liabilities arising in relation to accelerated capital allowances totalling £2.7m entirely offset by a deferred tax asset arising from losses. The remaining deferred tax asset has not been recognised due to uncertainty over its recoverability, specifically uncertainty over the timing and magnitude of taxable profits at the balance sheet date.

11 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2026	2025
	£'000	£'000
In respect of:		
Property, plant and equipment	33	-
Recognised in:		
Administrative expenses	33	-

12 Property, plant and equipment

	Property in operational use	Assets under construction	Plant, runway and equipment	Motor vehicles	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Cost					
At 1 April 2024	200	-	15,423	2,006	17,629
Additions	-	-	6,873	548	7,421
At 31 March 2025	200	-	22,296	2,554	25,050
Additions	-	3,433	5,177	780	9,390
Transfer between categories	-	-	(153)	153	-
Transfer from investment property	2,460	-	-	-	2,460
At 31 March 2026	2,660	3,433	27,320	3,487	36,900
Accumulated depreciation and impairment					
At 1 April 2024	-	-	5,714	495	6,209
Charge for the year	-	-	1,152	142	1,294
At 31 March 2025	-	-	6,866	637	7,503
Charge for the year	143	-	1,680	187	2,010
Impairment	-	-	33	-	33
Transfer between categories	-	-	31	(31)	-
At 31 March 2026	143	-	8,610	793	9,546
Carrying amount					
At 31 March 2026	2,517	3,433	18,710	2,694	27,354
At 31 March 2025	200	-	15,430	1,917	17,547

13 Investment property

	2026	2025
	£'000	**£'000**
Fair value		
At 1 April 2025	16,818	16,343
Transfer to Property, Plant & Equipment	(2,460)	-
Gain on revaluation	556	475
At 31 March 2026	14,914	16,818

13 Investment property (Continued)

The valuation of the investment property portfolio was performed by an internal experienced property professional in 2026 (DM Hall LLP in 2025) who holds appropriate qualifications and who has relevant experience in both local and national property markets, together with in-depth knowledge of the properties concerned. The valuations were undertaken in accordance with the RICS Valuation – Global Standards (2020) “The Red Book” published by the Royal Institution of Chartered Surveyors on the basis of fair value. As part of the annual valuation process, the directors considered market movements and any specific property factors to determine whether there were any material changes in fair value since the last external valuation.

The investment property portfolio comprises of surplus land with investment potential, and landside and airside tenanted property held to earn rentals.

The fair value of investment property held to earn rentals is determined using the income capitalisation method. The income capitalisation method is based on capitalising the net income stream at an appropriate yield. In establishing the net income stream the valuer has reflected the current rent payable to lease expiry, at which point the valuer has assumed that each unit will be re-let at their opinion of estimated rental value. The valuer has made allowances for vacancies and rent-free periods where appropriate, as well as deducting non-recoverable costs where applicable. The appropriate yield is selected on the basis of the location of the building, its quality, tenant credit quality and lease terms. A comparison has been made with comparable property sales to ensure the capital sale value is consistent with comparable properties. There has been no change to the valuation technique during the year.

The fair value of investment property that is not tenanted but is held for capital appreciation as land or property with development potential is determined by reference to recent market data and known abnormal costs and is based on ascertaining a capital sales value per square foot or acre. In estimating the fair value of the property, the highest and best use of the property is their current use. There has been no change to the valuation technique during the year.

Having conducted a detailed review of the valuation outputs and assumptions applied, the board are satisfied that the methodology adopted and conclusions reached by the internal valuer are appropriate and supportable.

Properties transferred to PPE in the year reflect properties that are now owner-occupied.

14 Inventories

	2026 £'000	2025 £'000
Raw materials and consumables	425	282

15 Trade and other receivables

	2026 £'000	2025 £'000
Trade receivables	9,761	4,961
Provision for bad and doubtful debts	(623)	(544)
	9,138	4,417
VAT recoverable	493	707
Prepayments and accrued income	1,493	1,104
	11,124	6,228

On review, the company assessed the impact of the lifetime expected credit losses (IFRS9) on the trade receivables and concluded this has no material impact upon the provision for bad and doubtful debts.

16 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

Movement in the allowances for doubtful debts	2026 £'000	2025 £'000
Balance at 1 April 2025	544	23
Additional allowance recognised	79	521
Balance at 31 March 2026	623	544

17 Trade and other payables

	Current		Non-current	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Trade payables	4,396	3,812	-	-
Accruals and deferred income	8,035	2,995	853	860
Social security and other taxation	379	273	-	-
Accrued interest on TS loan	18,625	15,506	-	-
	31,435	22,586	853	860

Within accruals and deferred income is £3,218,000 (2024: £2,156,000) of deferred income.

18 Borrowings

	2026 £'000	2025 £'000
Borrowings held at amortised cost:		
Loans from Transport Scotland on behalf of Scottish Ministers	43,400	43,400

There is a bond/ floating charge over the group's assets in favour of Scottish Ministers.

The amounts due to The Scottish Government are repayable on demand. Interest is charged at 2.2% over the European Reference Rate for State Aid for the UK and is accrued in trade and other payables.

19 Financial instruments

(a) Fair values of financial instruments
The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

Loans and receivables	**Carrying value 2026 £'000**	**2025 £'000**	**Fair value 2026 £'000**	**2025 £'000**
Cash and cash equivalents	11,781	14,254	11,781	14,254
Trade and other receivables	9,137	4,417	9,137	4,417
Total loans and receivables	20,918	18,671	20,918	18,671
Total financial assets	20,918	18,671	20,918	18,671

Financial liabilities measured at amortised cost	**Carrying value 2026 £'000**	**2025 £'000**	**Fair value 2026 £'000**	**2025 £'000**
Other interest-bearing loans and borrowings	43,400	43,400	43,400	43,400
Trade and other payables	28,655	20,156	28,655	20,156
Total financial liabilities measured at amortised cost	72,055	63,556	72,055	63,556
Total financial liabilities	72,055	63,556	72,055	63,556
Total financial instruments	(51,137)	(44,885)	(51,137)	(44,885)

"Trade and other receivables" and "Trade and other payables" balances above explicity exclude prepayments, deferred income and taxes in line with accounting standards.

b) Estimation of fair values
The following methods and assumptions were used to estimate the fair values shown above:

Trade and other receivables/payables

The fair value of receivables and payables is deemed to be the same as the book value.

19 Financial instruments **(Continued)**

Cash and cash equivalents

The fair value is deemed to be the same as the carrying amount due to the short maturity of these instruments.

Other loans

The fair value is based on the book value as the interest rate charged reflects the fair value of the borrowings.

c) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Exposure to credit risk

The maximum exposure to credit risk at the balance sheet date by class of financial instrument was;

	Group	
	2026	**2025**
	£'000	**£'000**
Trade receivables	9,760	4,961

The concentration of credit risk for trade receivables at the balance sheet date by geographic region was:

	Group	
	2026	**2025**
	£'000	**£'000**
UK	2,634	2,356
Europe	1,279	28
Middle East	162	62
North America	5,430	2,424
Other	256	91
	9,760	4,961

19 Financial instruments **(Continued)**

The concentration of credit risk for trade receivables at the balance sheet date by type of counterparty was:

	Group 2026 £'000	2025 £'000
Aviation	9,403	4,216
Property	329	448
Other	28	297
	9,760	4,961

Credit quality of financial assets and impairment losses
The aging of trade receivables at the balance sheet date was:

	Group Gross 2026 £'000	Impairment 2026 £'000	Group Gross 2025 £'000	Impairment 2025 £'000
Not past due	5,632	-	3,415	-
Past due (0-30 days)	2,501	-	545	-
Past due (31-120 days)	224	-	381	-
Past due (> 120 days)	1,403	623	620	544
Total financial instruments	9,760	623	4,961	544

On review the company assessed the impact of the lifetime expected credit losses (IFRS9) on trade receivables based on historical 3-year average bad debt write-off 0.25% (2025: 0.25%) and have not identified any significant impact on the current bad debt provision.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group 2026 £'000	2025 £'000
Opening balance	544	23
Impairment loss provided	79	521
Balance at 31 March	623	544

The allowance account for trade receivables is used to record impairment losses unless the Group or Company is satisfied that no recovery of the amount owing is possible.

At that point the amounts considered irrecoverable are written off against the trade receivables directly.

19 Financial instruments **(Continued)**

d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. All of the Group's liabilities excluding deferred income are due within one year. See note 1.3 for further details regarding the letter of support received by the board concerning amounts due to the group's shareholder. Responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

	2026		2025	
Non-derivative financial liabilities	**Contractual cash flows***	**1 Year or less**	**Contractual cash flows***	**1 Year or less**
	£'000	**£'000**	**£'000**	**£'000**
Scottish Government loan from Scottish Ministers	43,400	43,400	43,400	43,400
Trade and other payables	28,655	28,655	20,156	20,156
	72,055	72,055	63,556	63,556

* Carrying amount

e) Market risk
Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group’s income or the value of its holdings of financial instruments

Market risk - Foreign currency risk
Group

The Group buys and sells aviation fuel in US dollars and is naturally hedged for the cost of the fuel. The Group has a strategy to reduce exposure to potential future foreign exchange losses and has put in place foreign exchange hedging facilities with its bankers to place forward contracts to assist with this policy.

Market risk - Interest rate risk
Financial risk management
At the balance sheet date the Group has one fixed rate interest bearing loan which is not sensitive to interest rate changes.
f) Capital management
Group
The Group manages capital through a number of policies to ensure that it can meet its commitments consistent with its corporate plan. A major source of capital is the Transport Scotland loan which is reviewed on an annual basis.

20 Retirement benefit schemes

Defined contribution schemes	2026 £'000	2025 £'000
Charge to profit or loss in respect of defined contribution schemes	896	790

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share capital

Ordinary share capital	2026 Number	2025 Number	2026 £	2025 £
Ordinary of £1 each	1	1	1	1

22 Capital commitments

During the year ended 31 March 2026, the Group entered into contracts to purchase property, plant and equipment of £3.05m which are expected to be settled in the following financial year. (2025: none)

23 Securitisation

There is a bond/floating charge over the group's assets in favour of Scottish Ministers

HSBC UK Bank PLC also hold a fixed charge in favour of HM Revenue & Customs (HMRC) over the group's cash deposits. The charge security amounts to a maximum of £1,000,000.

24 Other leasing information

Lessor

The investment properties leases do not transfer substantially all of the risks and rewards incidental to ownership of the underlying asset and are accordingly classified as operating leases.

During the year £1,621,851 *(2025: £*1,855,886*)* was recognised as rental income by the Group.

The following table sets out a maturity analysis of lease payments to be received, showing the undiscounted lease payments to be received after the reporting date:

At the reporting end date the group had contracted with tenants for the following minimum lease payments:

	2026 £'000	2025 £'000
Within one year	874	811
One to two years	504	635
Two to three years	438	369
Three to four years	211	316
Four to five years	180	211
Over five years	10,626	10,805
Total undiscounted lease payments receivable	12,833	13,147

24 Other leasing information **(Continued)**

25 Capital risk management

The group is not subject to any externally imposed capital requirements.

The Group manages capital through a number of policies to ensure that it can meet its commitments consistent with its corporate plan. A major source of capital is the Transport Scotland loan which is managed on an annual and monthly basis.

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel engaged in the group, including directors, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	2026 £'000	2025 £'000
Short-term employee benefits	1,202	801
Post-employment benefits	203	151
	1,405	952

The average number of key management personnel during the year was 10 (2025: 10)

Other information

The Company is controlled by its shareholder, Scottish Government. The ultimate controlling party is Scottish Government. The Scottish Government provides interest bearing loans to the company's subsidiaries as detailed in note 18. It has no other transactions directly with the company.

27 Cash generated from operations

	2026 £'000	2025 £'000
Profit for the year before income tax	1,628	938
Adjustments for:		
Finance costs	3,119	3,375
Investment income	(265)	(343)
Gain on disposal of property, plant and equipment	(8)	(41)
Fair value gain on investment properties	(556)	(475)
Depreciation and impairment of property, plant and equipment	2,043	1,294
Movements in working capital:		
(Increase)/decrease in inventories	(143)	111
(Increase)/decrease in trade and other receivables	(4,896)	867
Increase/(decrease) in trade and other payables	2,815	(994)
Cash generated from operations	3,737	4,732

28 Analysis of changes in net debt

	1 April 2025 £'000	Cash flows £'000	31 March 2026 £'000
Cash at bank and in hand	14,254	(2,473)	11,781
Borrowings excluding overdrafts	(43,400)	-	(43,400)
	(29,146)	(2,473)	(31,619)

Prior year:	1 April 2024 £'000	Cash flows £'000	31 March 2025 £'000
Cash at bank and in hand	16,559	(2,305)	14,254
Borrowings excluding overdrafts	(43,400)	-	(43,400)
	(26,841)	(2,305)	(29,146)

TS PRESTWICK HOLDCO LTD

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

		2026		2025	
	Notes	**£**	**£**	**£**	**£**
Current assets					
Trade and other receivables	**33**	1		1	
Net current assets			1		1
Net assets			1		1
Equity					
Called up share capital	**34**		1		1
Total equity			1		1

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £nil. (2025: £nil).

The financial statements were approved by the board of directors and authorised for issue on 29 June 2026 and are signed on its behalf by:

I Forgie
Director

Company Registration No. SC462050

TS PRESTWICK HOLDCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £	Total £
Balance at 1 April 2024	1	1
Year ended 31 March 2025:		
Balance at 31 March 2025	1	1
Year ended 31 March 2026:		
Balance at 31 March 2026	1	1

The notes on pages 39 to 40 form part of these parent financial statements.

29 Accounting policies

Company information

All subsidiary undertakings are included in the consolidated financial statements. The holding company is registered at Scottish Government 5 Atlantic Quay, 150 Broomielaw, Glasgow, Scotland, G2 8LU and all subsidiary companies are registered at Aviation House, Prestwick, Ayrshire, KA9 2PL.

29.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The company applies accounting policies consistent with those applied by the group. To the extent that an accounting policy is relevant to both group and parent company financial statements, please refer to the group financial statements for disclosure of the relevant accounting policy.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- presentation of a statement of cash flows and related notes
- inclusion of an explicit and unreserved statement of compliance with IFRS
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of categories of financial instrument,the nature and extent of risks arising on these;
- comparative period reconciliations for the number of shares outstanding;
- the effect of financial instruments on the statement of comprehensive income;
- future impact of new International Financial Reporting Standards issued but not effective;
- comparative narrative information;

30 Subsidiaries

Details of the company's subsidiaries at 31 March 2026 are as follows:

Name of undertaking	Registered office	Principal activities	Class of shares held	% Held Direct	% Held Indirect
Prestwick Aviation Holdings Limited	Scotland	Holding company	Ordinary	100.00	-
Glasgow Prestwick Airport Ltd	Scotland	Airport operation	Ordinary	-	100.00
Prestwick Airport Ltd	Scotland	Property management	Ordinary	-	100.00
Prestwick Airport Infrastructure Ltd	Scotland	Landowner	Ordinary	-	100.00
Airport Driving Range Company Limited	Scotland	Landowner	Ordinary	-	100.00
Glasgow Prestwick Flight Centre Limited	Scotland	Flight centre	Ordinary	-	100.00
				-	-

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

30 Subsidiaries (Continued)

Name of undertaking	Capital and Reserves	Profit/(Loss)
	£'000	£'000
Prestwick Aviation Holdings Limited	413	-
Glasgow Prestwick Airport Ltd	(39,867)	3,132
Prestwick Airport Ltd	29,567	(1,340)
Prestwick Airport Infrastructure Ltd	(233)	-
Airport Driving Range Company Limited	80	-
Glasgow Prestwick Flight Centre Limited	(52)	(50)

All subsidiary undertakings are included in the consolidated financial statements. The holding company is registered at Scottish Government 5 Atlantic Quay, 150 Broomielaw, Glasgow, Scotland, G2 8LU and all subsidiary companies are registered at Aviation House, Prestwick, Ayrshire, KA9 2PL.

The Group also has an indirect 14% shareholding in Freeport Scotland Limited via Prestwick Aviation Holdings Limited.

31 Employees

The parent company has no employees, in the current or prior year.

32 Auditor's remuneration

The auditor’s remuneration is borne by Glasgow Prestwick Airport Limited and has been included within the group disclosure at note 7.

33 Trade and other receivables

	2026	2025
	£	£
Other receivables	1	1

34 Share capital

Refer to note 21 of the group financial statements.

35 Ultimate controlling party

The company is wholly-owned by the Scottish Government, who are regarded as the ultimate controlling party. The only group in which the results of the company are consolidated, is this set of financial statements.