

Company Registration No. 10755230 (England and Wales)

SKYPORTS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2024

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SKYPORTS LIMITED

COMPANY INFORMATION

Directors	R Correia N Haltiwanger O Larangot S H C Morrish R Villaamil D C E Walker
Secretary	A Mendonca
Company number	10755230
Registered office	Edinburgh House 170 Kennington Lane London United Kingdom SE11 5DP
Auditor	RSM UK Audit LLP Chartered Accountants One London Square Cross Lanes Guildford Surrey GU1 1UN

SKYPORTS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

The directors present the strategic report for the period ended 31 December 2024.

Principal activities

Skyports Limited ("the Company") is the holding company of the Skyports Group of companies ("the Group"). The Skyports Group is at the forefront of transforming urban transportation and logistics with its pioneering efforts in Advanced Air Mobility infrastructure and drone services.

Skyports Infrastructure plays a critical role in the Urban Air Mobility ecosystem; designing, building, owning, and operating vertiports that enable eVTOL operators to take off and land in and around cities across the world.

Skyports Drone Services uses drone technology to enable businesses to develop their logistics, capture key data, and improve operational efficiency. Skyports Drone Services are active in sectors including rural deliveries, survey, surveillance and maritime verticals.

Business review

Both divisions experienced good growth in the period. The company closed its Series C fundraising round in March 2024, raising in excess of £78m. ACS Group, one of the world's foremost infrastructure and construction companies, made a substantial equity investment in Skyports, becoming the largest investor in the company.

Skyports Infrastructure is increasingly important to the air mobility sector as leading vehicle manufacturers are closing in on certification and beginning to shift their focus towards initial operations. Skyports is best placed to become the leading infrastructure provider for passenger and cargo drone operations in the coming years and is active in all of the first mover markets.

Skyports Drone Services served more customers than ever before and is a recognised market leader in Beyond Visual Line of Sight drone operations, including drone deliveries, surveillance and inspections. Customers are blue chip companies and government organisations whose high safety requirements create a barrier to entry to others and validate our approach to safe operations.

Principal risks and uncertainties

Aviation is a highly regulated industry. Skyports Group place safety at the forefront of everything we do. Being regulated creates substantial barriers to entry but can also mean delays which are difficult to influence commercially. The prospect of delays in OEM certification and drone regulations poses a risk to the pace at which the business can grow. Further, flying drones carries risk. All of our operations are approved by the relevant regulatory authority, but we are at the forefront of the industry. Our first mover activities by their nature carry risk and we work hard to mitigate risks through training, research and development, strong safety processes and culture and operational evaluations.

Financial key performance indicators

The Director's main focus is on the following key performance indicators for the period ended 31 December 2024:

	Period ended 31 December 2024 £m	Year ended 30 September 2023 £m
Drone Services Revenue and Grant Income	3.30	2.68
Infrastructure Revenue and Grant Income	2.60	1.07
Drone Services EBITDA	(9.00)	(4.50)
Infrastructure EBITDA	(5.40)	(2.70)

SKYPORTS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2024

Other Key Performance Indicators

The Directors also consider the following other key performance indicators:

	Period ended 31 December 2024 No.	Year ended 30 September 2023 No.
Number of Vertiports operated	3	3
Number of drone flights	6,268	2,361
Headcount	85	79

On behalf of the board

Duncan Walker

.....
D C E Walker
Director

Date: 23/04/25

SKYPORTS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2024

The directors present their annual report and financial statements for the period ended 31 December 2024.

Principal activities

The principal activity of the company and group continued to be that of transforming urban transportation and logistics with its pioneering efforts in Advanced Air Mobility Infrastructure and drone services.

Branches

A branch of Skyports Deliveries exists in Norway, registration number 931 198 327. The results of this branch have been consolidated into these financial statements.

Results and dividends

The results for the period are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Reporting period

The Group's current accounting period was lengthened to cover the period from 1 October 2023 to 31 December 2024, in order to align all of the Group's reporting dates. Consequently the comparative figures presented in the financial statements for the period ended 30 September 2023, including related notes, are not entirely comparable with the amounts presented for the current period to 31 December 2024.

Directors

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

K M Allen	(Resigned 7 March 2024)
M A Budd	(Resigned 19 March 2024)
R Correia	(Appointed 2 January 2025)
N Haltiwanger	(Appointed 7 March 2024)
O Larangot	
V Marana	(Appointed 7 March 2024 and resigned 19 December 2024)
S H C Morrish	
M Pigulla	(Resigned 7 March 2024)
D Ryan	(Resigned 7 March 2024)
M Tsuyama	(Resigned 7 March 2024)
R Villaamil	(Appointed 7 March 2024)
D C E Walker	

Future developments

Skyports Infrastructure continues to focus on growth in the Middle East with the following key projects in the pipeline:

- Work has begun on building the first Vertiport at Dubai Airport as part of the contract with the Roads and Transport Authority in Dubai
- Sites are in the process of being finalised for the other locations in Dubai
- An agreement has been signed with the government in Ras Al Khaimah to build and operate a Vertiport network in the region

Outside of the Middle East, Skyports Infrastructure has the following key projects ongoing:

- Skyports Infrastructure has entered into a Joint Venture arrangement to develop a vertiport network in Milan, Italy
- Skyports Infrastructure has entered into a contract to operate the Downtown Manhattan Heliport in New York from 30 March 2025.

SKYPORTS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2024

Skyports Drone Services has continued to win drone projects with notable contracts including a contract with the Michigan State Government for drone operations. Many of the existing contracts that began during the period or prior period are still in operation and will continue to be throughout 2025. Skyports Drone Services also has a number of active opportunities which are expected to be won and generate revenue from 2025 onwards.

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group'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 principal risks and uncertainties, and key performance indicators of the business.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Duncan Walker

.....
D C E Walker
Director

Date: 23/04/25

SKYPORTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2024

The directors are responsible for preparing the Strategic Report and the Directors' 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 SKYPORTS LIMITED

Opinion

We have audited the financial statements of Skyports Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 31 December 2024 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 December 2024 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 or the 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 period 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKYPORTS LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the 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 set out on page 5, 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 Group's and 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 Group or 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Group and parent Company operates in and how the Group and parent Company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKYPORTS LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluation advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those set by the Civil Aviation Authority. We performed audit procedures to inquire of management whether the Group is in compliance with these laws and regulations and inspected correspondence with the regulatory authority.

The group audit engagement team identified the risk of management override of controls and recognition of revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and reviewing revenue transactions in the period and around the period end to assess whether they had been recognised appropriately in line with FRS102.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Christopher Hurren

Christopher Hurren FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
One London Square
Cross Lanes
Guildford
Surrey, GU1 1UN

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23/04/25

SKYPORTS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2024

		Period ended 31 December 2024 £	Year ended 30 September 2023 £
Turnover	3	4,343,710	2,185,899
Cost of sales		(4,048,257)	(954,033)
Gross profit		295,453	1,231,866
Administrative expenses		(17,084,688)	(11,486,864)
Other operating income	3	1,552,182	1,843,770
Operating loss	6	(15,237,053)	(8,411,228)
Share of results of associates and joint ventures		-	(15,481)
Interest receivable and similar income	8	3,007,071	294,383
Interest payable and similar expenses	9	(5,789)	(21)
Other gains and losses	10	(254,808)	-
Loss before taxation		(12,490,579)	(8,132,347)
Tax on loss	11	(2,526,326)	1,348,114
Loss for the financial period		(15,016,905)	(6,784,233)
Other comprehensive income net of taxation			
Currency translation differences		31,045	-
Total comprehensive income for the period		(14,985,860)	(6,784,233)

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

SKYPORTS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Intangible assets	12		62,847		90,308
Tangible assets	13		4,428,207		847,677
Investments	14		12,593		254,808
			<u>4,503,647</u>		<u>1,192,793</u>
Current assets					
Debtors	18	38,877,098		11,661,319	
Cash at bank and in hand		36,914,388		1,108,232	
			<u>75,791,486</u>		<u>12,769,551</u>
Creditors: amounts falling due within one year	19	(1,435,516)		(1,194,673)	
Net current assets			<u>74,355,970</u>		<u>11,574,878</u>
Total assets less current liabilities			<u>78,859,617</u>		<u>12,767,671</u>
Creditors: amounts falling due after more than one year	20		(922,368)		-
Net assets			<u><u>77,937,249</u></u>		<u><u>12,767,671</u></u>
Capital and reserves					
Called up share capital	23		829,745		414,142
Share premium account	25		104,654,352		26,973,898
Currency translation reserve	25		31,045		-
Share based payment reserve	25		3,213,679		1,886,178
Profit and loss reserves	25		(30,791,572)		(16,506,547)
Total equity			<u><u>77,937,249</u></u>		<u><u>12,767,671</u></u>

The financial statements were approved by the board of directors and authorised for issue on ...23/04/25..... and are signed on its behalf by:

Duncan Walker

.....
D C E Walker
Director

SKYPORTS LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	13		58,565		17,240
Investments	14		4		254,812
			<u>58,569</u>		<u>272,052</u>
Current assets					
Debtors	18	67,565,599		22,239,079	
Cash at bank and in hand		35,036,428		607,060	
		<u>102,602,027</u>		<u>22,846,139</u>	
Creditors: amounts falling due within one year	19	<u>(340,927)</u>		<u>(223,383)</u>	
Net current assets			<u>102,261,100</u>		<u>22,622,756</u>
Total assets less current liabilities			<u>102,319,669</u>		<u>22,894,808</u>
Capital and reserves					
Called up share capital	23		829,745		414,142
Share premium account	25		104,654,352		26,973,898
Share based payment reserve	25		3,213,679		1,886,178
Profit and loss reserves	25		(6,378,107)		(6,379,410)
Total equity			<u>102,319,669</u>		<u>22,894,808</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's loss for the period was £613,263 (2023: £356,612 loss).

The financial statements were approved by the board of directors and authorised for issue on 23/04/25 and are signed on its behalf by:

Duncan Walker

.....
D C E Walker
Director

SKYPORTS LIMITED

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

	Notes	Share capital £	Share premium account £	Currency translation reserve £	Share based payment reserve £	Profit and loss reserves £	Total £
Balance at 1 October 2022		413,975	26,959,040	-	940,844	(9,722,314)	18,591,545
Year ended 30 September 2023:							
Loss and total comprehensive income for the year		-	-	-	-	(6,784,233)	(6,784,233)
Transactions with owners:							
Issue of share capital	23	167	14,858	-	-	-	15,025
Share based payment		-	-	-	945,334	-	945,334
Balance at 30 September 2023		414,142	26,973,898	-	1,886,178	(16,506,547)	12,767,671
Period ended 31 December 2024:							
Loss for the period		-	-	-	-	(15,016,905)	(15,016,905)
Other comprehensive income net of taxation:							
Currency translation differences		-	-	31,045	-	-	31,045
Total comprehensive income for the period		-	-	31,045	-	(15,016,905)	(14,985,860)
Transactions with owners:							
Issue of share capital	23	404,756	77,195,064	-	-	-	77,599,820
Purchase of shares by ESOP	23	10,847	485,390	-	-	-	496,237
Exercised and forfeited share options		-	-	-	(731,880)	731,880	-
Share based payment		-	-	-	2,059,381	-	2,059,381
Balance at 31 December 2024		829,745	104,654,352	31,045	3,213,679	(30,791,572)	77,937,249

SKYPORTS LIMITED

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

	Notes	Share capital £	Share premium account £	Share based payment reserve £	Profit and loss reserves £	Total £
Balance at 1 October 2022		413,975	26,959,040	940,844	(6,022,798)	22,291,061
Year ended 30 September 2023:						
Loss and total comprehensive income for the year		-	-	-	(356,612)	(356,612)
Transactions with owners:						
Issue of share capital	23	167	14,858	-	-	15,025
Share based payment		-	-	945,334	-	945,334
Balance at 30 September 2023		414,142	26,973,898	1,886,178	(6,379,410)	22,894,808
Period ended 31 December 2024:						
Loss and total comprehensive income for the period		-	-	-	(613,263)	(613,263)
Transactions with owners:						
Issue of share capital	23	404,756	77,195,064	-	-	77,599,820
Purchase of shares by ESOP	23	10,847	485,390	-	-	496,237
Exercised and forfeited share options		-	-	(731,880)	614,566	(117,314)
Share based payment		-	-	2,059,381	-	2,059,381
Balance at 31 December 2024		829,745	104,654,352	3,213,679	(6,378,107)	102,319,669

SKYPORTS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	26	(4,637,718)		(7,639,697)	
Interest paid		(5,789)		(21)	
Income taxes refunded/(paid)		18,782		(3,943)	
Net cash outflow from operating activities		(4,624,725)		(7,643,661)	
Investing activities					
Purchase of intangible assets		(20,306)		(2,000)	
Purchase of tangible fixed assets		(4,210,940)		(406,612)	
Proceeds on disposal of tangible fixed assets		-		26,468	
Purchase of associates		(12,593)		(15,481)	
Interest received		1,547,618		278,902	
Net cash used in investing activities		(2,696,221)		(118,723)	
Financing activities					
Proceeds from issue of shares		43,096,057		15,025	
Net cash generated from financing activities		43,096,057		15,025	
Net increase/(decrease) in cash and cash equivalents		35,775,111		(7,747,359)	
Cash and cash equivalents at beginning of period		1,108,232		8,855,591	
Effect of foreign exchange rates		31,045		-	
Cash and cash equivalents at end of period		36,914,388		1,108,232	

SKYPORTS LIMITED

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

1 Accounting policies

Company information

Skyports Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Edinburgh House, 170 Kennington Lane, London, United Kingdom, SE11 5DP.

The group consists of Skyports Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The parent company is a qualifying entity for the purposes of FRS 102, being the parent of a group which prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flows and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share-based Payment' - Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The results of the company are consolidated within these financial statements.

Basis of consolidation

The consolidated financial statements incorporate those of Skyports Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the period are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2024. 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.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

Assets and liabilities of overseas subsidiaries are translated into Sterling at rates ruling at the period-end date, results are translated into Sterling at an average rate. Exchange adjustments arising on retranslation of opening net assets on retranslating the results for the period are recognised in other comprehensive income.

Going concern

The Directors consider that the Company and Group has adequate resources to continue its operations for a period of at least 12 months from the date that the financial statements are approved. The key method for assessing going concern is through the cash flow forecasts of the Group. The Group has sufficient available cash and contracted future cash inflows from the ultimate parent company and existing revenue contracts to meet the forecasted spending requirements of the Group.

Reporting period

The Group's current accounting period was lengthened to cover the period from 1 October 2023 to 31 December 2024, in order to align all of the Group's reporting dates. Consequently the comparative figures presented in the financial statements for the year ended 30 September 2023, including related notes, are not entirely comparable with the amounts presented for the current period to 31 December 2024.

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably;
- and
- the costs incurred and the costs to complete the contract can be measured reliably.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Software	33% straight line
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SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets 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:

Plant and equipment	33% straight line
Fixtures and fittings	33% straight line
Computers	33% straight line
Motor vehicles	33% straight line
Vertiports	over the lease term

Assets in the course of construction are 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 credited or charged to profit or loss.

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Undertakings in which the group has significant influence (i.e. the power to participate in the financial and operating policy decisions but not control or joint control over those policies) are classified as associates. The group's share of the results, other comprehensive income and equity of associates are accounted for using the equity method based on the associate's financial statements to 31 December.

Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill.

All unrealised profit or losses on transactions with the associate are eliminated to the extent of the group's interest, except where unrealised losses provide evidence of an impairment. Where necessary, adjustments are made to bring the accounting policies of the associate into line with those used by the group.

Dividends received from the associate reduce the carrying amount of the investment.

Losses in an associate that reduce the carrying amount of the investment in the associate to below zero are not recognised, but a provision is recognised to the extent that the group has an obligation or has made payments on behalf of the associate.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

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

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the period. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

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 stock or fixed assets.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments.

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Grants relating to assets are classified as deferred income and recognised in income over the expected useful life of the asset to which they relate.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Property, plant and equipment

Property, plant and equipment are depreciated over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are taken into account.

Measurement of share options

Share option charges are accounted for over the vesting period, being 3 years from the date at which the share options were granted. Any charge assumes that the specified conditions attached to the share options will be met and this the options will be exercised in full at the end of the vesting period.

Deferred tax asset

The directors have prepared and considered future forecasted profits in consideration of the recognition of deferred tax assets on tax losses carried forward. During the period, the group derecognised a deferred tax asset previously recognised amounting to £2,524,669 as the timing of the recoverability of this amount is uncertain.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

3 Turnover and other income

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Turnover analysed by class of business		
Drone Services Sales	2,865,732	1,756,028
Infrastructure Revenue	1,211,647	300,307
Aeronautical Revenue	123,463	78,575
Non-Aeronautical Revenue	142,868	50,989
	<u>4,343,710</u>	<u>2,185,899</u>
	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Other operating income		
Grants received	1,514,794	1,730,638
Other operating income	37,388	113,132
	<u>1,552,182</u>	<u>1,843,770</u>
	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Turnover analysed by geographical market		
United Kingdom	1,164,447	1,111,619
EMEA	1,290,087	549,302
APAC	1,429,461	524,978
Americas	459,715	-
	<u>4,343,710</u>	<u>2,185,899</u>

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

4 Employees

The average monthly number of persons (including directors) employed during the period was:

	Group		Company	
	Period ended	Year ended	Period ended	Year ended
	31 December 2024	30 September 2023	31 December 2024	30 September 2023
	Number	Number	Number	Number
Directors	6	6	2	2
Employees	79	73	8	8
Total	85	79	10	10

Their aggregate remuneration comprised:

	Group		Company	
	Period ended	Year ended	Period ended	Year ended
	31 December 2024	30 September 2023	31 December 2024	30 September 2023
	£	£	£	£
Wages and salaries	6,976,118	4,605,499	993,333	515,580
Social security costs	861,840	543,398	117,357	77,884
Pension costs	68,094	74,091	11,154	23,921
Share based payment	2,059,381	945,334	987,252	945,334
	9,965,433	6,168,322	2,109,096	1,562,719

5 Directors' remuneration

	Period ended	Year ended
	31 December 2024	30 September 2023
	£	£
Remuneration for qualifying services	241,549	177,148
Company pension contributions to defined contribution schemes	2,249	4,585
	243,798	181,733

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2023: 2).

The number of directors who exercised share options during the period was 2 (2023: nil).

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

5 Directors' remuneration (Continued)

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

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Remuneration for qualifying services	231,266	157,836
Company pension contributions to defined contribution schemes	1,651	3,484

6 Operating loss

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Operating loss for the period is stated after charging/(crediting):		
Exchange differences	(32,887)	6,481
Government grants	(1,514,794)	(1,730,638)
Depreciation of owned tangible fixed assets	630,410	435,592
Amortisation of intangible assets	47,767	34,979
Share-based payments	2,059,381	945,334
Operating lease charges	349,160	542,798

7 Auditor's remuneration

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	75,000	66,000

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

8 Interest receivable and similar income

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Interest income		
Interest on bank deposits	1,484,294	77,763
Interest receivable from parent	1,453,938	-
Interest receivable from related parties	68,839	216,620
	<u>3,007,071</u>	<u>294,383</u>

9 Interest payable and similar expenses

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Interest on bank overdrafts	5,789	21
	<u>5,789</u>	<u>21</u>

10 Other gains and losses

The loss of £254,808 (2023: £nil) relates to the impairment in full of the Group's unlisted investment.

11 Taxation

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Current tax		
UK corporation tax on profits for the current period	-	(14,074)
Adjustments in respect of prior periods	-	(80,939)
Total UK current tax	-	(95,013)
Foreign current tax on profits for the current period	1,657	-
Total current tax	<u>1,657</u>	<u>(95,013)</u>
Deferred tax		
Origination and reversal of timing differences	2,524,669	(1,253,101)
Total tax charge/(credit)	<u>2,526,326</u>	<u>(1,348,114)</u>

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

11 Taxation (Continued)

The total tax charge/(credit) for the period included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	Period ended 31 December 2024 £	Year ended 30 September 2023 £
Loss before taxation	(12,490,579)	(8,132,347)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2023: 25.00%)	(3,122,645)	(2,033,087)
Tax effect of expenses that are not deductible in determining taxable profit	555,822	270,231
Unutilised tax losses carried forward	2,497,036	734,092
Adjustments in respect of prior years	-	(80,939)
Depreciation on assets not qualifying for tax allowances	71,444	23,842
Other permanent differences	-	(262,253)
Derecognition of deferred tax asset	2,524,669	-
Taxation charge/(credit)	2,526,326	(1,348,114)

The group has tax losses of £20 million (2023: £2 million) available to carry forward against future taxable profits. No deferred tax asset has been recognised in respect of these losses in the current period on the basis that they may not be recoverable within the foreseeable future.

12 Intangible fixed assets

Group	Software £
Cost	
At 1 October 2023	148,191
Additions	20,306
At 31 December 2024	168,497
Amortisation and impairment	
At 1 October 2023	57,883
Amortisation charged for the period	47,767
At 31 December 2024	105,650
Carrying amount	
At 31 December 2024	62,847
At 30 September 2023	90,308

The company had no intangible fixed assets at 31 December 2024 or 30 September 2023.

The amortisation charge is included with administrative expenses.

SKYPORTS LIMITED

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

13 Tangible fixed assets

Group	Assets under construction	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Vertiports	Total
	£	£	£	£	£	£	£
Cost							
At 1 October 2023	-	63,450	66,214	151,462	57,035	966,244	1,304,405
Additions	3,945,150	138,181	80,111	107,768	-	-	4,271,210
Disposals	-	-	(80)	-	-	-	(80)
Other changes	-	-	-	-	-	(60,270)	(60,270)
At 31 December 2024	3,945,150	201,631	146,245	259,230	57,035	905,974	5,515,265
Depreciation and impairment							
At 1 October 2023	-	15,619	25,215	65,416	15,835	334,643	456,728
Depreciation charged in the period	-	49,984	35,469	70,446	23,764	450,747	630,410
Eliminated in respect of disposals	-	-	(80)	-	-	-	(80)
At 31 December 2024	-	65,603	60,604	135,862	39,599	785,390	1,087,058
Carrying amount							
At 31 December 2024	3,945,150	136,028	85,641	123,368	17,436	120,584	4,428,207
At 30 September 2023	-	47,831	40,999	86,046	41,200	631,601	847,677

Other changes relate to a correction to VAT that was previously thought to be irrecoverable, but was subsequently recovered during the period.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

13 Tangible fixed assets (Continued)

Company	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 October 2023	-	13,490	21,669	35,159
Additions	29,070	17,234	11,713	58,017
Disposals	-	(80)	-	(80)
At 31 December 2024	29,070	30,644	33,382	93,096
Depreciation and impairment				
At 1 October 2023	-	6,985	10,934	17,919
Depreciation charged in the period	-	9,451	7,241	16,692
Eliminated in respect of disposals	-	(80)	-	(80)
At 31 December 2024	-	16,356	18,175	34,531
Carrying amount				
At 31 December 2024	29,070	14,288	15,207	58,565
At 30 September 2023	-	6,505	10,735	17,240

14 Fixed asset investments

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Investments in subsidiaries	15	-	-	4	4
Investments in associates	16	12,593	-	-	-
Unlisted investments		-	254,808	-	254,808
		12,593	254,808	4	254,812

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

14 Fixed asset investments (Continued)

Movements in fixed asset investments Group

	Shares in participating interests	Other investments	Total
	£	£	£
Cost or valuation			
At 1 October 2023	-	254,808	254,808
Additions	12,593	-	12,593
At 31 December 2024	12,593	254,808	267,401
Impairment			
At 1 October 2023	-	-	-
Impairment losses	-	254,808	254,808
At 31 December 2024	-	254,808	254,808
Carrying amount			
At 31 December 2024	12,593	-	12,593
At 30 September 2023	-	254,808	254,808

Movements in fixed asset investments Company

	Shares in group undertakings	Other investments	Total
	£	£	£
Cost or valuation			
At 1 October 2023 and 31 December 2024	4	254,808	254,812
Impairment			
At 1 October 2023	-	-	-
Impairment losses	-	254,808	254,808
At 31 December 2024	-	254,808	254,808
Carrying amount			
At 31 December 2024	4	-	4
At 30 September 2023	4	254,808	254,812

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Skyports Deliveries Limited	Edinburgh House, 170 Kennington Lane, London, SE11 5DP	Freight air transport	Ordinary	100.00	-
Skyports Infrastructure Limited	Edinburgh House, 170 Kennington Lane, London, Se11 5DP	Other transportation support services	Ordinary	100.00	-
Skyports Deliveries PTE Ltd	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore, 068914	Other transportation support services	Ordinary	-	100.00
Skyports Air Mobility Ireland Limited	Suite 6, Rineanna House, Shannon Free Zone, Shannon, Ireland	Freight air transport	Ordinary	-	100.00
Skyports PTE Ltd	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore, 068914	Other transportation support services	Ordinary	-	100.00
Skyports Air Mobility GmbH	C/o Brigk, Am Stein 9, 85049 Ingolstadt, Germany	Freight air transport	Ordinary	-	100.00
Skyports KK	3-1-6 Motoazabu, Minato-Ku, Tokyo, Japan, 106-0046	Freight air transport	Ordinary	-	100.00
Skyports Helicopter Landing Pad Installation LLC	702-019 One Business Centre, Emaar Square, Building 6, Level 7, Dubai	Other transportation services	Ordinary	-	100.00
Skyports Inc	75 State St, Suite 100, Boston, MA 02109, USA	Freight air transport	Ordinary	-	100.00
Downtown Skyport LLC	251 Little Falls Drive, Wilmington, DE 19808, USA	Freight air transport	Ordinary	-	100.00

Skyports Deliveries Limited (Company number 12629213) and Skyports Infrastructure Limited (Company number 13839872) are exempt from audit by virtue of Section 479A of the Companies Act 2006. In accordance with Section 479C of the Companies Act 2006, Skyports Limited has provided guarantees over the liabilities of these subsidiaries.

During the period, Skyports Inc. purchased 99% of the members units of Downtown Skyport LLC.

16 Associates

Details of associates at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Vertical Gateway S.P.A.	Via Vittor Pisani 20, 20124, Milan, Italy	Freight air transportation	Ordinary	-	30

During the period, Skyports Infrastructure Limited purchased 30% of the share capital of Vertical Gateway S.P.A.

Also during the period, Skyports Deliveries Limited disposed of its entire 49% holding in Skyports Drone Services Korea Inc. Due to the accumulated share of losses in this associate, this investment was being held at £nil.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

17 Joint ventures

During the period, the Group disposed of its entire 50% holding in ALMA Air Mobility Limited (previously Skyports LATAM Air Mobility Limited). ALMA Air Mobility Limited was a joint venture of Skyports Deliveries Limited, which had 50% of voting rights and management decisions. Skyports Colombia SAS was 100% owned by ALMA Air Mobility Limited, and as such the group has also disposed of its interest in that company.

Voloport SG PTE Ltd was a joint venture of Skyports Infrastructure Limited. This company was struck off in the period.

18 Debtors

	Group 2024	2023	Company 2024	2023
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	634,054	235,747	-	80,491
Corporation tax recoverable	93,199	458,874	-	331,669
Amounts owed by group undertakings	-	-	30,808,824	-
Amounts owed by parent undertakings	36,453,938	-	36,453,938	-
Amounts owed by joint ventures and associated entities	-	527,521	-	-
Other debtors	766,657	6,950,363	50,957	6,811,788
Prepayments and accrued income	929,250	964,145	251,880	61,149
	<u>38,877,098</u>	<u>9,136,650</u>	<u>67,565,599</u>	<u>7,285,097</u>
Deferred tax asset (note 21)	-	2,524,669	-	1,213,679
	<u>38,877,098</u>	<u>11,661,319</u>	<u>67,565,599</u>	<u>8,498,776</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	-	13,740,303
	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,740,303</u>
Total debtors	<u>38,877,098</u>	<u>11,661,319</u>	<u>67,565,599</u>	<u>22,239,079</u>

Included in amounts owed by group undertakings is £36,453,938 (2023: £nil), owed by the company's immediate parent, ACS Group. This amount is repayable in September 2025 and interest is charged at the Bank of England base rate. Interest of £1,453,938 (2023: £nil) is included in the balance at the period end.

Other amounts owed by group undertakings are unsecured, accrue no interest and are repayable on demand.

During the period, amount owed by joint ventures and associated entities of £458,874 (2023: £nil) were written off to the profit and loss account due to doubt about the recoverability of these balances.

During the period, an impairment loss of £45,000 (2023: £nil) was recognised in respect of trade debtors due to doubt over the recoverability of these balances.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

19 Creditors: amounts falling due within one year

	Group 2024 £	2023 £	Company 2024 £	2023 £
Trade creditors	392,807	434,142	38,641	93,011
Amounts owed to group undertakings	-	-	136,980	17,221
Corporation tax payable	-	-	24,575	-
Other taxation and social security	142,257	177,825	43,081	22,264
Other creditors	96,749	15,656	1,981	2,381
Accruals and deferred income	803,703	567,050	95,669	88,506
	<u>1,435,516</u>	<u>1,194,673</u>	<u>340,927</u>	<u>223,383</u>

Amounts owed to group undertakings are unsecured, accrue no interest and are repayable on demand.

20 Creditors: amounts falling due after more than one year

	Group 2024 £	2023 £	Company 2024 £	2023 £
Deferred income	922,368	-	-	-
	<u>922,368</u>	<u>-</u>	<u>-</u>	<u>-</u>

21 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

Group	Assets 2024 £	Assets 2023 £
Accelerated capital allowances	-	(107,332)
Tax losses	-	2,632,001
	<u>-</u>	<u>2,524,669</u>
	<u>-</u>	<u>2,524,669</u>
Company	Assets 2024 £	Assets 2023 £
Accelerated capital allowances	-	(4,866)
Tax losses	-	1,218,545
	<u>-</u>	<u>1,213,679</u>
	<u>-</u>	<u>1,213,679</u>

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

21 Deferred taxation (Continued)

	Group 2024 £	Company 2024 £
Movements in the period:		
Asset at 1 October 2023	(2,524,669)	(1,213,679)
Charge to profit or loss	2,524,669	1,213,679
	<u>-</u>	<u>-</u>
Asset at 31 December 2024	<u>-</u>	<u>-</u>

22 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	68,094	74,091
	<u>68,094</u>	<u>74,091</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. Contributions totalling £29,250 (2023: £12,227) were payable to the fund at the balance sheet date and are included within other creditors.

23 Share capital

	Group and Company			
	2024 Number	2023 Number	2024 £	2023 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	192,518	222,003	192,518	222,003
Series A Ordinary shares of £1 each	20,054	21,669	20,054	21,669
Series A Preferred shares of £1 each	43,001	57,401	43,001	57,401
Series B Preferred shares of £1 each	112,071	113,069	112,071	113,069
Series C Preferred shares of £1 each	462,101	-	462,101	-
	<u>829,745</u>	<u>414,142</u>	<u>829,745</u>	<u>414,142</u>

The Ordinary, Series A Ordinary, Series A Preferred, Series B Preferred and Series C Preferred shares rank pari passu in all respects.

During the period from 1 October 2023 to 31 December 2024, 10,847 Ordinary shares with a nominal value of £1 were issued for total consideration of £496,237 in respect of share options exercised. The Company also issued 404,756 Series C Preferred shares with a nominal value of £1 for total consideration of £77,599,820 as part of the investment in the group by the new parent entity.

On 7 March 2024, the Company re-designated 40,332 Ordinary shares, 1,615 Series A Ordinary shares, 14,400 Series A Preferred shares, and 998 Preferred B shares into 57,345 Series C Preferred shares, with a nominal value of £1.

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

24 Share-based payment transactions

Share options are granted at the average price of the Company's shares at the grant date. The employee is entitled to exercise the share options on the occurrence of an exit event (as detailed in the share option plan) which achieves pre determined performance criteria. The time to the estimated date of exit is considered to be the vesting period. If options remain unexercised after a period of 10 years from the date of grant, the options expire. Furthermore, options are forfeited if the employee leaves the Company before they become entitled to exercise the share options.

The Company has granted options over Ordinary shares of £1 each as follows (albeit the ultimate number subject to exercise will be dependent on the attainment of pre determined performance criteria):

The following share based payment arrangements were in existence during the current and prior years:

At the balance sheet date there were a total of 71,813 (2023: 76,497) share options granted but not yet exercised.

Group	Number of share options		Weighted average exercise price	
	2024 Number	2023 Number	2024 £	2023 £
Outstanding at 1 October 2023	76,497	71,565	96.68	90.57
Granted	9,707	5,099	191.72	185.28
Forfeited	(3,544)	-	142.28	-
Exercised	(10,847)	(167)	46.84	89.97
Outstanding at 31 December 2024	<u>71,813</u>	<u>76,497</u>	<u>115.18</u>	<u>96.68</u>
Exercisable at 31 December 2024	<u>71,813</u>	<u>76,497</u>	<u>115.18</u>	<u>96.68</u>

The options outstanding at 31 December 2024 had an exercise price ranging from £30.00 to £191.72, and a remaining contractual life of between 3.8 and 9.8 years.

Group

Inputs were as follows:

	2024	2023
Fair value	147.03	147.03
Employee retention	75%	75%
Expected volatility	65%	65%
Expected life (years)	10	10
Risk free rate	5.00%	4.15%

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Expenses recognised in the period				
Arising from equity settled share based payment transactions	<u>2,059,381</u>	<u>945,334</u>	<u>987,252</u>	<u>945,334</u>

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

24 Share-based payment transactions (Continued)

The weighted average fair value of options granted in the period was determined using the Black Scholes option pricing model. The Black Scholes model is considered to apply the most appropriate valuation method due to the relatively short contractual lives of the options and the requirement to exercise within a short period after the employee becomes entitled to the shares (the 'vesting date').

The expected life is used in the model has been adjusted, based on management's best estimate, for the effect of non transferability, exercise restrictions, and behavioural considerations.

Non vesting conditions and market conditions are taken into account when estimating the fair value of the option at grant date. Service conditions and non market performance conditions are taken into account by adjusting the number of options expected to vest at each reporting date.

25 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Share based payment reserve

Cumulative share-based payment expense.

Currency translation reserve

Cumulative effects of foreign exchange differences on non-financial assets and equity balances.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

26 Cash absorbed by group operations

	2024	2023
	£	£
Loss for the period after tax	(15,016,905)	(6,784,233)
Adjustments for:		
Share of results of associates and joint ventures	-	15,481
Taxation charged/(credited)	2,526,326	(1,348,114)
Finance costs	5,789	21
Investment income	(3,007,071)	(278,902)
Amortisation and impairment of intangible assets	47,767	34,979
Depreciation and impairment of tangible fixed assets	630,410	435,592
Other gains and losses	254,808	-
Equity settled share based payment expense	2,059,381	945,334
Movements in working capital:		
Decrease/(increase) in debtors	6,673,991	(1,060,980)
Increase in creditors	1,187,786	401,125
Cash absorbed by operations	(4,637,718)	(7,639,697)

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

27 Analysis of changes in net funds - group

	1 October 2023 £	Cash flows £	Exchange rate movements £	31 December 2024 £
Cash at bank and in hand	1,108,232	35,775,111	31,045	36,914,388

28 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Within one year	492,943	966,325	53,248	-
Between one and five years	204,119	468,079	-	-
	697,062	1,434,404	53,248	-

29 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Acquisition of tangible fixed assets	1,426,819	-	-	-

30 Events after the reporting date

In March 2025 the Skyports Limited group acquired 100% of the share capital of Redbird Aero, a company registered in Australia, for total consideration of £146,793.

31 Related party transactions

Transactions with related parties

During the period the group entered into the following transactions with related parties:

	Interest received	
	2024 £	2023 £
Group		
Entities with control, joint control or significant influence over the company	1,453,938	-
Entities with common directors and shareholders	68,839	216,620

SKYPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2024

31 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2024	2023
	£	£
Group		
Entities with common directors and shareholders	10,720	-
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2024	2023
	£	£
Group		
Entities with control, joint control or significant influence over the group	36,453,938	-
Entities with common directors and shareholders	-	6,784,869
	<u> </u>	<u> </u>

The company has taken advantage of the exemptions provided by Section 33 under FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

32 Controlling party

The ultimate controlling party is ACS, Actividades De Construccion Y Servicios SA, a company incorporated in Spain.