RNS Number : 9527R
Worsley Investors Limited
22 July 2025

Worsley Investors Limited

(the "Company")

Annual Report for the period ended 31 March 2025

The Company is pleased to announce the release of its annual report and audited consolidated financial statements for the period ended 31 March 2025 (the **"Annual Report"**). A copy of the Annual Report will be posted to shareholders and will be available to view on the Company's website shortly at: www.worsleyinvestors.com

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Performance Summary

	31 March 2025	31 March 2024	**% Change**
Net Asset Value ("NAV") per share	**34.62p**	43.45p	**-20.32%**
Share price[1]	**27.80p**	24.80p	**12.10%**
Share price discount to NAV	**19.70%**	42.92%	

	Year ended 31 March 2025	Year ended 31 March 2024
(Loss)/earnings per share[2]	**-8.33p**	0.09p
NAV Total Return[3]	**-20.32%**	-1.07%
Share price Total Return[4]		
- Worsley Investors Limited	**12.09%**	-11.43%
- FTSE All Share Index	**10.46%**	8.43%

Worsley Associates LLP ("Worsley Associates") was appointed on 31 May 2019 as Investment Advisor (the "Investment Advisor") to Worsley Investors Limited (the "Company"). The Company's Investment Objective and Policy are set out below.

Past performance is not a guide to future performance.

1 Mid-market share price

Mid-market share price.

[2] (Loss)/earnings per share based on the net loss for the year of £2.81 million (31 March 2024: net profit £0.030 million) and the weighted average number of Ordinary Shares in issue during the year of 33,740,929 (31 March 2024: 33,740,929).

[3] NAV Total Return is a measure showing how the NAV per share has performed over a period of time, taking into account both capital returns and any dividends paid to shareholders.

[4] A measure showing how the share price has performed over a period of time, taking into account both capital returns and any dividends paid to shareholders.

Source: Worsley Associates LLP and FactSet/Morningstar.

Chairman's Statement

After a good first half to the year, the second half was much less so and our NAV per share as reported in these financial statements fell by 20.32% over the year as a whole. The reversal over the second half of 12.49p or 26.51% per Worsley Investors share was predominantly the result of a major reduction in the carrying value of the Group's cinema at Curno, Italy. Shareholders who have been following our announcements to the stock market will already be aware that the previous tenant, UCI, wilfully defaulted on its obligations under the lease in January and, after the expiry of a grace period, that lease consequently and automatically terminated by operation of Italian law on 25 February 2025.

Our Investment Advisor, Worsley Associates LLP, moved quickly in response to this development and on 31 March 2025 successfully concluded a re-letting to an Italian company, Notorious Cinema S.r.L, ("Notorious") a wholly-owned subsidiary of a listed Italian group and the operator of a number of cinemas in Italy. The Investment Advisor gives fuller detail in its report below but in summary the new lease has an initial term of approximately 10 years to 31 August 2035 subject to a tenant option to extend for a further 8 years to 2043 and to a tenant break option on 31 August 2031. The rental is a turnover rent based on percentages of sales achieved and subject to certain minimum rentals which are partly linked to Italian inflation. Notorious has pledged to invest approximately €2 million (plus VAT) in a substantial refurbishment and upgrade of the property and a significant portion of this has already been deployed ahead of the partial re-opening with five of the screens on 27 June 2025. The opening was well-received by the customer base and initial trading was ahead of expectations although it is early days. This is an exciting repositioning of the complex as a premium offering in line with the Notorious brand. Multiplex, our Italian subsidiary, has agreed to a reduction in the annual rental of €108,000 per year for the first 5 years of the lease as a contribution to this significant capital investment. The remaining four screens are due to re-open in the autumn in line with the Notorious business plan.

Notorious is a successful operator of a significant number of cinemas in Italy and has been steadily growing its market share for a number of years. Its substantial enhancement of the Curno asset is, we feel, a tangible demonstration of commitment to that local market, one that it should know well given that earlier in his career the CEO of Notorious was responsible for the management of that cinema on behalf of UCI. In contrast, we have found UCI's approach to Curno in recent years to be very uninspiring. Only now, as we are formulating our statement of claim against UCI for breach of our lease contract, are we becoming more aware of the full extent of their neglect of the building and of their contractual obligations in relation to its upkeep.

For the purposes of this set of financial statements, we have adopted the International Financial Reporting Standards ('IFRS') Fair Value of the cinema asset as determined by the Group's independent asset valuer, Knight Frank LLP ('KF') of €2.8 million, which compares to KF's IFRS Fair Value determination at the interim stage six months earlier (i.e. 30 September 2024) of €7.3 million. The principal assumptions underpinning the KF figure of €2.8 million are that, notwithstanding Notorious's up-front investment of a €2 million upgrade, Notorious will not achieve their business plan targets and will exit at their earliest possible opportunity in 2031 having paid no more rental than their minimum contractual obligations in each of the intervening years.

For the purposes of our quarterly announcement of our unaudited NAV as at 31 March 2025 (released on 9 June), we adopted at the advice of the Investment Adviser, a directors' valuation of the cinema asset of €5.0 million reflecting assumptions which are considered to be undemanding in respect of achievable turnover under the Notorious business plan post the substantial investment referred to above and that Notorious would remain in occupation on the current contractual basis for at least the initial 10-year term and most likely longer. See Note 19 for a reconciliation of the NAV under the IFRS and non-IFRS bases. Of course, the actual month-to-month turnover outcomes will depend to some degree on the timing and quality of the slate of film releases and overall economic conditions amongst other factors and so there will inevitably be some variability. If the volume plan targets are achieved, the turnover rental will be materially higher than the contractual minima. This, and the different assumption with regard to likely duration of occupancy, are the principal reasons for the difference in valuations.

We expect that future quarterly NAV announcements will continue to be on the same basis.

For the sake of completeness, I should say that we have not included in either these financial statements or in our market NAV announcements, a valuation of the claim for damages which the Group will be seeking from UCI. We are currently working through a number of issues relating to the condition in which the property was returned and we expect to have a discussion with UCI in respect of these matters shortly. We shall update shareholders via market announcements when it is appropriate to do so.

Our equity portfolio, which performed strongly in the first half, achieved creditable returns in context of the second half, to give a return for the year on the opening capital invested of +16.3% as compared to the FTSE Small Capitalisation index which returned +6.0% and the FTSE All Share index which generated +10.5%.

Our share (mid) price fell back slightly in the second half but still ended up 12.1% on the year and the share price discount to NAV continued to narrow. The proportion of our NAV represented by the cinema fell from 42.9% last year to 38.3% at the half-way point and ended at 20.1% in these financial statements. We are now at the point where the current share price is backed by the core equity strategy (including cash) with both the cinema asset and our claim for damages against UCI 'in for free'.

The Investment Advisor, Worsley Associates LLP, summarises the market background and outlook together with the developments in respect of our principal investments succinctly in its report below and I shall not repeat them here.

In the wider world, our financial year ended with the first 10 weeks or so of the second Trump administration which in respect of international trading arrangements has taken an unusual approach, which may be expected to have some adverse consequences for global inflation and growth. There has been some consequent scaling-back of expectations for interest rate reductions and rising uncertainty domestically in the UK as this compounds upon the pressures of rising public expenditure and indebtedness bumping against the government's fiscal rules, all of which has implications for further tax rises. With uncertainty, however, comes opportunity and that is all the more evident at the small capitalisation end of the market where we operate.

As I have noted previously, Worsley invests in specific companies with their own unique paths to the realisation of shareholder returns and not in broader indices, which are relevant only as measures of the context in which we operate, be they headwinds we face or tailwinds behind us. That general dictum might be said to apply equally to Worsley Investments itself at this juncture as we look to unlock the potential of the Curno cinema, realise our recovery rights against UCI and pursue our core equity strategy. We maintain a strong liquidity position and carry no debt.

On behalf of the Board, I would like to thank our Investment Advisor, Worsley Associates LLP, for the continued steady progress they have made in developing our equity portfolio and for the entrepreneurial spirit in which they have addressed the challenges arising in Italy and, above all to thank you, our shareholders, for your ongoing support.

William Scott
Chairman
18 July 2025

Investment Advisor's Report

Investment Advisor

The Investment Advisor, Worsley Associates LLP, is regulated by the FCA and is authorised to provide

The Investment Advisor, Worsley Associates LLP, is regulated by the FCA and is authorised to provide investment management and advisory services.

In the year under review, the equities portfolio continued to be nearly fully invested, and the Investment Advisor has concentrated on its development, and the oversight of the dispute with the previous tenant of the Curno cinema and the negotiation of an attractive lease with a replacement.

Curno Cinema Complex

The Group's Italian multiplex cinema complex, located in Curno, on the outskirts of Bergamo, until 25 February 2025 was let in its entirety to UCI Italia S.p.A. ("UCI").

<u>Notorious Cinema lease</u>
On 31 March 2025, the Group's wholly owned Italian subsidiary, Multiplex 1 S.r.l. ('Multiplex') entered into a new lease agreement with Notorious Cinema S.r.l. ('Notorious'), an Italian company, for it to operate the cinema complex.

The key rental terms of the lease are:

Rental
From the outset Notorious will pay Multiplex turnover rent comprising the sum of: 23.5% of the revenues deriving from the sale of entrance tickets; 10% of food and drink revenues; and 5% of all other revenues, subject to the following minima:

From 1 September 2025 until 31 August 2026 -- €500,000
From 1 September 2026 until 31 August 2027 -- €525,000
From 1 September 2027 until 31 August 2028 -- €550,000

On 1 September 2028 and annually thereafter the minimum rental will increase by 75% of the variation over the previous twelve months in the Italian ISTAT consumer price index.

In recognition of Notorious's substantial expenditure on the refurbishment of the cinema, described more fully below, from 1 September 2025 until 31 August 2030, the annual rental otherwise payable will be reduced each year by €108,000.

Fundamental to the Group's decision to enter into the Notorious lease (the 'Lease') was the expectation that, once the revised cinema format had become established, the level of turnover rental would exceed the minima by an increasingly wide margin.

Duration
The Lease will have an initial termination date of 31 August 2035. Notorious has a unilateral right on that date to renew the Lease for a further eight years on the same terms and conditions.

In addition, Notorious has the right to withdraw from the lease on 31 August 2031. In the event of the lease renewing on 1 September 2035, each party has the unilateral right to withdraw as of 31 August 2039.

Tenant Guarantee
Notorious has provided a first-demand guarantee issued by a primary bank, in the amount of €250,000, which will renew annually on an inflation indexed basis. After six years from the completion of the refurbishment, the tenant will have the right to replace the bank guarantee with an equivalent guarantee, issued by its parent company, Notorious Pictures S.p.A., in an amount of €500,000.

The Notorious Pictures group as at 31 December 2024 reported consolidated net worth of €33.6m.

<u>Refurbishment</u>
Pursuant to the new lease Notorious contracted to invest a sum of no less than €2,000,000 plus VAT to undertake a refurbishment of all cinema rooms. The foyer will be transformed into a 'cinema lounge', elegant and completely digitalised, with interactive monitors replacing cardboard advertising, a waiting area with leather armchairs, and an expanded food offer which, in addition to the classic popcorn and nachos, will include pizza and hamburgers. The cinema halls will see the installation of De Luxe reclining armchairs in eco-

leather, and the lavatories will be renovated.

Notorious has the following schedule of works:
- From March to end of June : refurbishment of five cinema halls and the foyer
- June 27th : opening of the five refurbished cinema halls with reclining seats
- July - August : refurbishment of remaining four cinema halls
- September 4th: full opening of all nine cinema halls

The multiplex reopened on schedule on 27 June.

Trading

The Curno cinema was open for business until 19 January. Rentals have been paid by UCI for the period up to 10 January.

The cinema in calendar 2024 again benefited from a significant increase in total revenue per admission. Full year certified calendar 2024 ticket sales were 207,376, slightly more than 95% of the 2023 level, notwithstanding the significant impact on trading of the dispute with UCI.

The strong improvement in Italian *cinema industry* ticket sales from the beginning of November, as previously reported, continued into December, when ticket sales exceeded December 2019 levels, with children's features, most notably *Moana 2* and *Mufasa: The Lion King* proving to be big hits. The strength in sales continued into January 2025, reflecting the release of several Italian titles, the most popular being *Io sono la fine del mondo ('I am the End of the World').* February and March activity weakened somewhat from January levels, but the popularity of Italian titles continued, *Follemente ('Madly')*, a romantic comedy, being the most prominent. Ticket sales for the June quarter have seen further weakening, with *A Minecraft Movie* and *Lilo & Stitch* the strongest titles, ending only slightly higher than the equivalent quarter last year, when the after effects of the US Actors' and Screenwriters' strikes were still a major hindrance.

UCI Dispute

Following an extensive period of negotiation with UCI regarding the reshaping of the lease signed in 2018, on 30 January 2025, UCI vacated the Curno property. After UCI had not paid any rental for the period subsequent to 10 January, as of the close of business on 25 February, pursuant to Italian law, the lease agreement automatically terminated for default.

The minimum unpaid rental on the lease until 30 June 2035, being the earliest date UCI could have *validly* terminated is €11,259,771.

Multiplex retains the ability to recover damages from UCI for the *net* losses suffered as a result of unpaid rental and other breaches of the lease agreement. The Group is carefully considering all available alternatives in order to assess how best to ensure that the Group's position is optimised.

Valuation

As at 31 March 2025, the Group's independent asset valuer, Knight Frank LLP ('KF'), has ascribed an IFRS Fair Value to the cinema of €2.8 million (30 September 2024: €7.3 million), and this figure has been adopted in these Financial Statements.

The valuer, as at 31 March 2025, now assesses the estimated rental value ('ERV') to be €550,000 (down from €830,000) and the valuation yield was decreased from 10.75% to 10.0%. In the 30 September valuation the annual contractual rental was €1,063,436 -- although KF only recognised the excess over its previous assessed ERV until 30 June 2035, the earliest date upon which UCI could legally exit the previous lease. The substantial reduction in the 31 March 2025 KF valuation is principally because of the major reduction in minimum contractual rental, offset a little by the reduction in the valuation yield.

In stark contrast, the valuer made *no* allowance for the obvious upside of turnover rental under the Notorious lease. It has indicated to the Group that credit for the turnover rental would only be recognised *after* it had been achieved.

Notwithstanding the KF view, for the purposes of the RNS announcement on 9 June of the unaudited quarterly NAV as at 31 March 2025 the Directors, who are of the opinion that over time significant turnover rental *will* be generated, adopted, based on the advice of the Investment Advisor, and in particular its rental *will* be generated, adopted, based on the advice of the Investment Advisor, and in particular its projections for turnover rental, a valuation for the Curno property of €5.0million.

The Directors' valuation adjudged *normalised* rental under the Notorious lease to be €750,000, and the excess to the KF assumed ERV accounts for approximately €1.66 million of the difference in the valuations, with lower assumed operating expenses and no assumption of a tenant break in 2031 making up the remainder.

We consider the external valuer's approach extraordinarily cautious, all the more so considering its expectation that real estate markets will improve, supported by additional European interest rate cuts throughout the year, although it views any improvement as being likely to be gradual.

The 2024 year ended up as positive for the Italian cinema industry, given the disruption early in the year caused to film releases by the Hollywood strikes and the competition from major sporting events during the summer. Equally as notable, industry box office takings have settled at a level some 16% below the pre-Covid pandemic average for the 2017-2019 period.

This progressively regularising cinema trading, as underscored by strong Italian box office takings seen since the beginning of November, bodes well for a return of Italian cinema investor appetite, although restrained European bank property lending continues to be a headwind. The Group will retain the Curno cinema until a disposal can be effected at a price which the Board believes properly reflects its medium term prospects.

Equity Investment Strategy

The Investment Advisor's strategy entails the taking of holdings in British quoted securities priced at a deep discount to their intrinsic value, as determined by a comprehensive and robust research process. Most of these companies will have smaller to mid-sized equity market capitalisations, which will in general not exceed £600 million. It is intended to secure influential positions in such British quoted securities, with the employment of activism as necessary to drive highly favourable outcomes.

After a mixed start to 2025, the London market soon settled into generally upward trend, as anxieties around the threat of import tariffs being imposed by the incoming Trump administration abated somewhat. Renewed fears of an international trade war, after China had announced retaliatory tariffs against the US, resulted in a sharp fall in worldwide equities to open February. The U.K. market however brushed this off when the Bank of England decreased rates by 0.25% at its 6 February meeting and on hopes that the worries concerning US tariffs were overdone. However, mid month first U.K. CPI came in 50 b.p. over December and then unease regarding the impact of a messy German general election led to the British market weakening.

In the subsequent period, the impact of widespread US import tariffs, now an actuality, has continued to be the largest influence on the London market, with the Israeli attacks on Iran a new, very recent, concern.

In early March, the U.K. market dropped sharply on worries concerning the growth impact of US tariffs, with doubled tariffs announced on Canadian steel and aluminium imports. The following week saw a recovery, with Germany announcing a €500bn defence fund, China a stimulus package and talks between presidents Trump and Putin on Ukraine. The British market then went sideways for a week, with the Bank of England holding rates at its March meeting and the U.K. Spring Statement indicating constrained Government spending. Nonetheless, March closed weaker with US PCE inflation 2.8% for February, up from 2.7% in January, and Trump threatening tariffs on US imports from all countries.

All this was overshadowed, by 'Liberation Day' on 2 April, when Trump detailed the range and scope of the new tariffs. In the following three days the London market, in step with global equities, plummeted more than 10%. After a one day rebound, the FTSE:ASX on 9 April fell further to 4151, the low for the period.

Over the rest of April, the market recovered most of the plunge. First Trump announced a 90 day pause in tariffs for countries other than China. Then a temporary exemption for smartphones and computers was declared. A relatively attractive U.K./US trade deal was agreed, the first with a major economy. US China trade talks progressed, and global equities absorbed US Q1 GDP being down 0.3% in their stride.

After May had started strongly, the U.K. market retraced when the Bank of England cut rates by 0.25% at its May meeting, detailing a weaker outlook for the U.K. economy. The upward trend resumed with positive signals in US China trade talks, with a 90 day tariff pause announced on the 12th. U.K. Q1 GDP come in above expectations at +0.7% and hopes of a ceasefire in the Ukraine stoked the momentum. The month closed on a positive note with annual US PCE inflation to April marked at 2.1%, down from the March reading of 2.3%.

In the first fortnight of June, the British market rose, although at a slower pace, with a positive narrative on US China trade talks, US tariffs on imports of U.K. steel and aluminium being less than feared, and May UK month-on-month CPI of 0.1% being recorded. By 12 June the FTSE100 had reached another all-time closing record.

However, the next day the market retreated on the news that Israel had launched attacks on Iran and of both the UK Federal Reserve and the Bank of England holding rates at their June meetings. The weakness continued after the US on the night of 21 June bombed Iran's three main nuclear facilities. The was a brief respite the following week after the oil price stabilised on a perceived easing of geopolitical tensions, which was tested when the Israel Iran ceasefire initially appeared to have been breached.

Since 25 June, Middle Eastern tensions have receded and attention resumed on the negotiations in process on US import tariffs. There was a good upturn when the US and China reached an accord on rare earth minerals and certain technology imports, aided by May US PCE*core* inflation coming in at 2.7% year-on-year. The momentum was short-lived after concerns about US Canada trade negotiations arose, with the London market ending the June quarter also impacted by poor U.K. economic data.

Trading in the third quarter has been choppy, continuing to be dominating by US trade negotiations. The U.K market has managed to shrug off concerns that the U.K. Government had lost control of welfare reforms. On 7 July, Trump signed an executive order again delaying the commencement of country-specific 'reciprocal' tariffs from 9 July to 1 August. Since then, investor sentiment has improved considerably on indications that a number of significant US trade deals were imminent.

Despite earlier promising indications, on 14 July Trump suggested that the EU would be hit with tariffs of 30% from the beginning of August, and May U.K. GDP came in down a further 0.1% after a drop of 0.3% in April. Notwithstanding that, at the close of trading the FTSE100 hit a further all-time high and the FTSE:ASX reached 4824, the peak for the period, on a view that, having agreed a benign trade deal with the US, the U.K. would benefit from any transfer of US-bound production out of the EU.

Following the May cut, U.K. interest rates are now down 1.0% from their recent peak of 5.25%, but, despite the mixed outlook for inflation, the market consensus is now that the rate will be further cut to between 3.75% and 4.0% before the end of 2025. After the US Federal Reserve at its December meeting had cut its policy rate to the range of 4.25% to 4.50%, down 1.0% from the peak, it has left rates unchanged in its four 2025 meetings to date. The US Fed remains cautious regarding the impact of tariffs on US inflation, but most market participants expect one or two 0.25% cuts over the rest of the year.

Despite the dip post the Israeli attack on Iran, the British stock market is up 5.7% in the 2026*financial* year to date. Within the Company's target universe of British smaller companies, since the beginning of March share prices in general have performed much more strongly than the market as a whole, and since 31 March the small cap market is up 11.0%.

The Company's portfolio remained relatively fully invested during the reporting period. This includes two undisclosed positions which we grew in the last three months of calendar 2024. However, the share prices of both companies subsequently increased significantly, despite near term operational challenges, and we decided to pause purchasing. At this juncture it is not considered to be in the Company's best interests to reveal the identity of the holdings.

The largest portfolio position continues to be our shareholding of more than 4% in **Smiths News plc**, England's major distributor of newspapers and magazines. At the beginning of May, the company published its 2025 interim results, which were good, operating profit coming in slightly up on revenue which was almost flat, with increased sales of trading card and sticker collectables which attract higher margins. It was commendable that the continuing cost reduction programme more than offset the impact of inflation and defrayed the continuing decline in newspaper and magazine volume. Average net debt for the half year was negligible at £1.1m, down from £12.5m in 2024.

Smiths News during its first half agreed another major contact renewal, with 91% of existing publisher revenues now secured to at least 2029, underpinning both short and medium-term revenues and the

revenues now secured to at least 2029, underpinning both short and medium-term revenues and the expansion of its early morning supply chain activities
The shares jumped 17% in the first three months of Worsley Investors' second half, but, having gone ex the 2024 final and special dividends, over the final quarter gave back nearly 19%. Post year end the shares have recovered, most markedly in the period up to the release of the interims, being up a little over 10% after adjustment for the interim dividend entitlement.

In mid-February, the share price of **Daniel Thwaites PLC**dropped significantly on no company news, owing to a paucity of buyers, after other regional pub companies had reported difficulties recovering input cost increases. On 17 June, Daniel Thwaites published its preliminary results, for the year to 31 March 2025, which revealed modest progress. We continue to add to our holding when volume becomes available in the rarely traded stock.

The **Northamber Plc** shareholding remained unchanged in the second six months of the 2025 year. The share price was down 25% over the course of the half, but since 31 March is up some 17%, notwithstanding its reporting an increased operating loss in the interim results to 31 December 2024. During the second half we continued to engage with management, which appears out of its depth. In mid-March **LMS Capital plc** announced a managed winddown of the group and throughout the half we acquired further shares as they were offered to us.

Towards the end of the financial year, **AssetCo PLC** underwent a share reorganisation and changed its name to **River Global PLC,**and we added to our holding over the period. During the second half, we also added to three other holdings, took part profits in one stock and exited another completely. Preliminary (less than 2% of Net Assets) holdings are held in 7 other companies.

Since 30 September, the Company's portfolio initially had a strong three months, following which it has weakened, with the result that as at 14 July 2025 had a total cost of £6.54 million, a combined market value of £9.68 million, and comprised 16 stocks. The surplus on the portfolio was a little over 48% of cost, and the annualised return on capital invested since the new strategy was adopted remains very satisfactory, at just under 23%.

Results for the period

Cash rental revenue from Curno for the year to 31 March 2025 was €830,700 (£699,000) (31 March 2024: €1,058,700 (£915,000)). No ticket overage revenue was earned.

Property operating expenses, mainly local Curno property taxes, of some €192,400 (£162,000) ((31 March 2024: €173,900 (£150,000)), were incurred, which in the second half were significantly in excess of budget. This was a direct result of UCI defaulting on its lease, with €9,000 of lease registration taxes being deemed as unrecoverable and unbudgeted costs of €9,200 incurred on *ad hoc* security at Curno.

General and administrative expenses (including transaction charges) of £689,000 (31 March 2024: £573,000) substantially exceeded the 2024 run rate, and represented a large increment to budget. A sharp increase in Italian legal expenses, as the Group dealt with legal manoeuvrings by its cinema tenant, in net terms accounted for the entire overrun. Group General expenses, having been considerably higher in the first six months, for the full year, as foreshadowed, ended broadly in line with original expectations. As commented on in the Interim Report, increased Net Assets resulted in higher AUM-based fees compared to 2024.

Transaction charges incurred on equity acquisitions were £12,000 (31 March 2024: £7,000). As indicated in the Interim Report, this reflected higher activity than usual, following a low level in the previous year.

In the forthcoming year the Group's ongoing operating costs are projected to between the 2025 and 2024 levels, with the out turn heavily dependent on the level of Italian legal expenses required to pursue the claim against UCI. Prior to the ultimate sale of Curno there remains little scope for significant reduction in the overall cost base.

The equities portfolio, having risen strongly in the first half, continued to strengthen in the third quarter but weakened substantially in the fourth to be down for the final six months, culminating for the year as a whole in a marginal (£0.021 million) net investment mark-to-market gain (31 March 2024: £0.510 million *reduction*). Investment Income for the year, entirely dividends, was £863,000 and net investment gains *realised* added

Investment income for the year, entirely dividends, was £[illegible] and net investment gains *realised* added £356,000. In consequence, the total annualised return on capital invested in the portfolio over the year came out at 16.3%.

Taxation is payable on an ongoing basis on Italian income and in Luxembourg. For the year, an operating tax charge of £89,000 (31 March 2024: £117,000) was incurred. In addition, net VAT, predominantly in Luxembourg, of some £3,000 was paid.

In the current year, the substantially lower Curno rental will be partly offset by a nil tax rate at Multiplex, but, notwithstanding lower budgeted legal expenses, *operating* cash flow (that is prior to allowance for equity income and net purchases) is expected to be negative.

Financial Position

Net Assets at 31 March 2025 were £11.681 million, which compares with the £15.895 million contained in the 30 September 2024 Interim Report. The reduction arose mainly from the loss in the second half of £4.197 million, after a €4.50 million (£3.79 million) reduction in the Euro valuation of the Curno property, and a £17,000 decrease in the pound sterling fair value of Euro-denominated assets, principally the property.

The Group's liquidity decreased slightly in the year, reflecting strong cash flows which offset net portfolio purchases of £499,000, with £594,000 in cash held at 31 March 2025 and no debt. Supplemented by the ample secondary liquidity of the equity portfolio and positive ongoing cash flows, the Group's financial position continues to be secure.

In due course, the sale of the Curno cinema will provide substantial additional resources for equity investment.

Euro

As at 31 March 2025, some 22% of Total Assets were denominated in Euros, of which the Curno property was 20.1% of Total Assets, down from 42% as at 31 March 2024. The pound sterling Euro cross rate moved circa 2% during the period from 1.169 as at 31 March 2024 to 1.194 as at 31 March 2025. This cross rate will continue to be a potentially significant influence on the level of Group Net Assets until Curno's disposal.

Outlook

After just over six months of this year, U.K. stock market prices, notwithstanding the extreme gyrations around the US administration's 'Liberation Day' announcement in early April of a vastly altered approach to import tariffs, are up 9.4%. The market stands at an all-time high, with fears that the new trade regime would lead to a recession in the US dissipating as negotiations with the US's major trade partners have developed. This also has had a beneficial impact on the outlook for US inflation, with obvious implications for the path of Western Central Bank interest rates.

The strength of the British market is despite our observation in the Interim Report, that employment related changes announced in the U.K. Budget would be an earnings headwind until at least the end of the first half of calendar 2025, proving to be correct. Although positive factors for U.K. GDP growth continue to build, albeit gradually, given the U.K. Government's inability to secure control of its spending, smaller U.K. companies are exposed to inevitable taxation increases in the Autumn Budget.

The Italian box office in 2024 was almost in line with 2023 with cinemas taking €493.9m from admissions of 69.7 million. After a muted second quarter, the movie slate will return to full strength beginning in July, with a string of high-profile films being scheduled for release in the second six months of the year and 2025 US box office receipts forecast to surpass 2024 levels by in excess of 13%.

The default by UCI on the previous lease of the Curno cinema will have a major impact on the future cash flow of the Group, which we will look to recover via the courts. On the positive side, we have managed to secure an excellent tenant, which is growing strongly and taking market share from the largest Italian chains. The refurbishment of the cinema has received a glowing reception from the viewing public, with early trading exceeding expectations.

The ramp up of business at the revamped Curno cinema will inevitably require some time before its full trading potential is achieved, meaning a disposal cannot be considered imminent. From 1 September on the asset will once again generate inflation adjusted cash flow, albeit materially lower, for the Group.

We regularly highlight that the Worsley investment strategy is essentially unaffected by the shorter-term economic outlook, being driven by the medium-term prospects of individual companies.

The preliminary earnings numbers for British companies published in the period generally reflected previously diminished expectations, although there were still 62 profit warnings in the March quarter, down from 71 in the December quarter. Once again, the prices of numerous stocks with capitalisations below £150 million fell sharply.

In the preponderance of instances such drops are the corollary of a material worsening of the outlook for the relevant sector, technology and industrial support services being the most prominent in the latest half. Nevertheless, the prices of a number of well-established companies are often similarly impacted, with a proportion becoming severely mispriced and, as such, contenders for potential investment.

The Worsley equity portfolio is constructed on firm foundations, and, despite heightened geopolitical and economic uncertainties, the Company continues to be well positioned to produce very satisfactory returns.

Worsley Associates LLP
15 July 2025

Board of Directors

William Scott (Chairman), a Guernsey resident, was appointed to the board of the Company as an independent Director on 28 March 2019. Mr Scott also currently serves as an independent non-executive director of a number of investment companies and funds, of which RTW Biotech Opportunities Fund Limited is also listed on the Premium Segment of the LSE. He is also a director of The Flight and Partners Recovery Fund Limited and a number of funds sponsored by Man and Abron. From 2003 to 2004, Mr Scott worked as senior vice president with FRM Investment Management Limited, which is now part of Man Group plc. Previously, Mr Scott was a director at Rea Brothers (which became part of the Close Brothers group in 1999) from 1989 to 2002 and assistant investment manager with the London Residuary Body Superannuation Scheme from 1987 to 1989. Mr Scott graduated from the University of Edinburgh in 1982 and is a chartered accountant having qualified with Arthur Young (now Ernst & Young LLP) in 1987. Mr Scott also holds the Securities Institute Diploma and is a chartered fellow of the Chartered Institute for Securities & Investment. He is also a chartered wealth manager. Mr. Scott is a member of the Audit, Risk and Management Engagement Committees.

Robert Burke, a resident of Ireland, was appointed to the board of the Company as an independent Director on 28 March 2019. He also serves as an independent non-executive director of a number of investment companies which are domiciled in Ireland as well as a number of companies engaged in retail activities, aircraft leasing, corporate service provision and group treasury activities. He is a graduate of University College Dublin with degrees of Bachelor of Civil Law (1968) and Master of Laws (1970). He was called to the Irish Bar in 1969 and later undertook training for Chartered Accountancy with Price Waterhouse (now PricewaterhouseCoopers) in London, passing the final examination in 1973. He later was admitted as a Solicitor of the Irish Courts and was a tax partner in the practice of McCann FitzGerald in Dublin from 1981 to 2005, at which point he retired from the partnership to concentrate on directorship roles in which he was involved. He is a member of the Irish Tax Institute. Mr. Burke is a member of the Audit, Risk and Management Engagement Committees.

Blake Nixon was one of the pioneers of activism in the UK and has wide corporate experience in the UK and overseas. Following three years at Jordan Sandman Smythe (now part of Goldman Sachs), a New Zealand stockbroker, Mr Nixon emigrated to Australia, where he spent three years as an investment analyst at Industrial Equity Limited ("IEL"), then Australia's fourth largest listed company. In 1989 he transferred to IEL's UK operation and early in 1990 led the takeover of failing LSE listed financial conglomerate, Guinness Peat Group plc ("GPG"). The group was then relaunched as an investment company, applying an owner orientated approach to listed investee companies. Mr Nixon was UK Executive Director, responsible for GPG's UK operations and corporate function, for the following 20 years, finally retiring as a non-executive director in

December 2015. He is a founding partner of Worsley Associates LLP, an activist fund manager, and has served as a non-executive director of a number of other UK listed companies, as well as numerous unlisted companies. He is a British resident and was appointed to the Board on 23 January 2019. Mr. Nixon is a member of the Risk Committee and attends Audit and Management Engagement Committee meetings by invitation.

Report of the Directors

The Directors of the Company present their Annual Report together with the Group's Audited Consolidated Financial Statements (the "Financial Statements") for the year ended 31 March 2025. The Directors' Report together with the Annual Report and the Consolidated Financial Statements give a true and fair view of the financial position of the Group. They have been prepared properly, in conformity with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and are in accordance with any relevant enactment for the time being in force; and are in agreement with the accounting records.

Principal Activity and Status

The Company is an Authorised closed-ended investment company domiciled in Guernsey, registered under the provision of the Companies (Guernsey) Law, 2008. The Company trades on the Main Market of the London Stock Exchange. Following the 29 July 2024 UK listing reforms, the Company was automatically mapped into the Equity Shares (Commercial Companies) ("ESCC") category, having previously held a premium listing on the Official List. Trading in the Company's ordinary shares commenced on 18 April 2005. The Company and the entities listed in note 2(f) to the Financial Statements together comprise the "Group".

Investment Objective and Investment Policy

The investment objective and investment policy of the Company are described in greater detail below.

Going Concern

These Financial Statements have been prepared on a going concern basis. The Directors, at the time of approving the Financial Statements, have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements. The Group maintains a significant cash balance and an extensive portfolio of realisable securities, and the dividend income on this, allied to the property lease, generates sufficient cash flows to pay on-going expenses and other obligations. The Directors have considered the cash position and performance of the current capital invested by the Group, the potential impact on markets and supply chains of geopolitical risks, as well as continuing macro-economic factors and inflation, and concluded that it is appropriate to continue to adopt the going concern basis in the preparation of these Financial Statements.

Going concern is assessed over the period of at least 12 months from the approval of these Financial Statements. Owing to the fact that the Group currently has no borrowing, has a significant cash holding and that the Company's equity investments predominantly comprise readily realisable securities, the Board considers there to be no material uncertainty. Matters relating to the going concern status of the Group are also discussed in the long-term viability statement below.

Viability Statement

The Board has evaluated the long-term prospects of the Group, beyond the 12 month time horizon assumption within the going concern framework. The Directors have conducted a review of the viability of the Group taking account of the predictability of the key factors which influence the Group's operations, its current position and the potential impact of risks likely to threaten the Group's business model, future performance, solvency or liquidity. For the purposes of this statement the Board has adopted a three year viability period from the year end owing to this being the maximum period over which the Board considers variances can reasonably be forecast and estimated. Anything beyond that cannot be stated with reasonable confidence.

In reaching this conclusion, the Directors considered the Company's expenditure projections, the fact that the Group currently has no borrowing, has a significant cash holding, the cash flow derived from the equity portfolio and the investment property provides sufficient liquidity with which to meet the Group's cash flow requirements and that the Company's equity investments predominantly comprise readily realisable securities, which in extremis could be expected to be sold to meet funding requirements if necessary, assuming usual market liquidity.

The Directors consider that a complete default on the lease rental obligations from the Group's investment property in isolation would not have a fundamental impact on the Company's ability to continue in operation over the next three years.

In addition, the Board has assumed that the regulatory and fiscal regimes under which the Group operates will continue in broadly the same form during the viability period. The Board consults with its broker and legal advisers to the extent required to understand issues impacting on the Group's regulatory and fiscal environment. The Administrator also monitors changes to regulations and advises the Board as necessary.

Based on the Company's processes for monitoring operating costs, internal controls, the Investment Advisor's performance in relation to the investment objective, the portfolio risk profile and liquidity risk, the Board has concluded that there is a reasonable expectation that the Group will be able to continue in operation and meet their liabilities as they fall due over the three year period.

Results and Dividends
These Financial Statements are drawn up for the year ended 31 March 2025.

The results for the year are set out in the Consolidated Statement of Comprehensive Income below.

No dividend payments were paid in the year (31 March 2024: none).

Details of the lease relating to the Group's investment property, and changes in the tenancy, are set out in note 4 of the Financial Statements.

Directors and their interests
The Directors who served during the year and up to the date of this report and their interests in the shares of the Company (all of which are beneficial) were:

	31 March 2025		31 March 2024	
W. Scott (Chairman)	1,000,000	2.96%	933,311	2.77%
B. A. Nixon	10,118,126	29.99%	10,083,126	29.88%
R. H. Burke	Nil	Nil	Nil	Nil

No Director has any other beneficial interest in the Company, nor in any of the Group entities.

The Directors' biographies are disclosed below.

Management
The Company is a self-managed AIF under the AIFM Directive and, as such, the Board performs certain management functions, which include oversight of the Company's investment strategy, and any necessary risk management and portfolio management functions.

With effect from 31 May 2019 the Board appointed Worsley Associates LLP as its Investment Advisor to oversee on a day-to-day basis the assets of the Company. A summary of the financial terms of the contract between the Company and the Investment Advisor in respect of the advisory services provided is given in note 3 to the Financial Statements below.

In connection with this, the Investment Advisor undertakes certain of the support functions in respect of the routine management of the Company's investment portfolio, corporate structure and affairs and advises the Company in relation to its investments and other ongoing services. The discretionary portfolio management of substantially all of the Group's assets (including uninvested cash), however, remains with the Board to be dealt with in accordance with the Investment Objective and Investment Policy.

Listing Requirements
Throughout the year the shares of the Company were admitted to the Official List of the London Stock Exchange maintained by the Financial Conduct Authority ("FCA") and it has complied with the UK Listing Rules.

On 29 July 2024, the FCA published the final version of the new UK Listing Rules, these reforms replaced the existing UK Listing Rules sourcebook in its entirety. Following the new UK Listing Rules, the Company was automatically mapped into the Equity Shares (Commercial Companies) ("ESCC") category, having previously held a premium listing on the Official List.

Investee Engagement

The nature of the Company's investments is such that it often seeks to acquire substantial shareholdings which provide a direct route via which to influence investee companies. The Company's focus is on investees' medium-term financial performance, and, if necessary, it will press them to adopt governance practices which ensure that they are properly accountable to their shareholders for the delivery of sustainable shareholder value. This active involvement is outside the scope of many traditional institutional shareholders. In matters which may affect the success of the Company's investments the Board and the Investment Advisor work together to ensure that all relevant factors are carefully considered and reflected in investment decisions.

In carrying out its investment activities the Company aims to conduct itself responsibly, ethically and fairly.

International Tax Reporting

For purposes of the US Foreign Accounts Tax Compliance Act, the Company is registered with the US Internal Revenue Service ("IRS") as a Guernsey reporting Foreign Financial Institution ("FFI"), has received a Global Intermediary Identification Number (G0W47U.99999.SL.831), and can be found on the IRS FFI list.

The Common Reporting Standard ("CRS"), is a global standard for the automatic exchange of financial account information, developed by the Organisation for Economic Co-operation and Development ("OECD"), and has been adopted by Guernsey. The Board has taken the necessary action to ensure that the Company is compliant with Guernsey regulations and guidance in this regard.

Significant Shareholdings

As at 1 July 2025, shareholders with 3% or more of the voting rights are as follows:

	Shares held	**% of issued share capital**
B.A. Nixon	10,118,126	29.99%
Transact Nominees Limited	3,094,773	9.17%
The Bank of New York (Nominees) Limited	3,000,000	8.89%
Chase Nominees Limited	2,522,420	7.48%
State Street Nominees Limited	2,075,804	6.15%
BBHISL Nominees Limited	1,800,000	5.33%
Winterflood Client Nominees Limited	1,770,704	5.25%
Lion Nominees Limited	1,214,847	3.60%

Guernsey Financial Services Commission Code of Corporate Governance

The Board of Directors confirms that, throughout the year covered by the Financial Statements, the Company complied with the Code of Corporate Governance issued by the Guernsey Financial Services Commission, to the extent it was applicable based upon its legal and operating structure and its nature, scale and complexity.

Anti-Bribery and Corruption

The Company adheres to the requirements of the Prevention of Corruption (Bailiwick of Guernsey) Law, 2023. In consideration of the UK Bribery Act 2010, the Board abhors bribery and corruption of any form and expects all the Company's business activities, whether undertaken directly by the Directors themselves or by third parties on the Company's behalf, to be transparent, ethical and beyond reproach.

Criminal Finances Act

The Directors of the Company have a zero-tolerance commitment to preventing persons associated with it from engaging in criminal facilitation of tax evasion. The Board has satisfied itself in relation to its key service providers that they have reasonable provisions in place to prevent the criminal facilitation of tax evasion by their own associated persons and will not work with service providers who do not demonstrate the same zero-tolerance commitment to preventing persons associated with them from engaging in criminal facilitation of tax evasion.

Independent Auditor

BDO Limited served as the Company's Independent Auditor throughout the year and has indicated its willingness to continue in office.

Annual General Meeting

The next AGM of the Company is scheduled to be held on 16 September 2025.

Directors' Responsibilities

The Directors of the Company are responsible for preparing, for each financial year, an annual report and Financial Statements which give a true and fair view of the state of affairs of the Group and of the respective results for the period then ended, in accordance with applicable Guernsey law and IFRS as issued by the IASB. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Group, or Company, will continue in business; and
- state whether or not applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping proper accounting records which are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that its financial statements comply with the Companies (Guernsey) Law, 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements which are free from material misstatement, whether owing to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Disclosure of Information to Auditors

So far as each Director is aware, all relevant information has been disclosed to the Company's Auditor; and each Director has taken all the steps which he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Responsibility Statement

Each of the Directors, whose names and functions are listed above, confirms to the best of that person's knowledge and belief:

- the Financial Statements, prepared in accordance with IFRS as issued by the IASB, give a true and fair view of the assets, liabilities, financial position and loss/profit of the Group, as required by DTR 4.1.12R of the Disclosure and Transparency Rules, and are in compliance with the requirements set out in the Companies (Guernsey) Law, 2008;
- the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for the shareholders to assess the Group's position, performance, business model and strategy; and
- the Annual Report and Financial Statements including information detailed in the Chairman's Statement, the Report of the Directors, the Investment Advisor's report, the Corporate Governance report and the notes to the Financial Statements, include a fair review of the development and performance of the business and the position of the Group together with a description of the principal risks and uncertainties that it faces, as required by:

  - DTR 4.1.8 and DTR 4.1.9 of the Disclosure and Transparency Rules, being a fair review of the Group's business and a description of the principal risks and uncertainties facing the Group; and

  - DTR 4.1.11 of the Disclosure and Transparency Rules, being an indication of important events which have occurred since the end of the financial period and the likely future development of the Group.

Signed on behalf of the Board by:

W. Scott
Director
18 July 2025

Corporate Governance Report

On 18 December 2019, the Company became a member of the Association of Investment Companies ("AIC") and except as noted herein complies with the 2019 AIC Code of Corporate Governance issued in February 2019 ("the AIC Code"), effective for accounting periods commencing on or after 1 January 2019. By complying with the AIC Code, the Company is deemed to comply with both the UK Corporate Governance Code (July 2018) (the "UK Code") issued by the Financial Reporting Council ("FRC") and the Code of Corporate Governance issued by the Guernsey Financial Services Commission (the "GFSC Code").

The Board considers that reporting against the principles and recommendations of the AIC Code provides appropriate information to shareholders and during the period the Board has reviewed its policies and procedures against the AIC Code.

The GFSC Code provides a governance framework for GFSC-licensed entities, authorised and registered collective investment schemes. Companies reporting against the UK Code or the AIC Code are deemed to comply with the GFSC Code. The AIC Code is available on the AIC's website, www.theaic.co.uk.

For the year ended 31 March 2025, the Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except for the following provisions relating to:

- the role of the Chief Executive
- Senior Independent Director;
- the need for an internal audit function;
- the whistle blowing policy;
- Remuneration Committee; and
- Nomination Committee.

The Board considers these provisions are not relevant given the nature, scale and lack of complexity of the Company and its legal and operating structure as a self-managed investment company. The Company has therefore not reported further in respect of these provisions. Details of compliance are noted in the following pages. The absence of an Internal Audit function is discussed in the Audit Committee Report below.

The Directors are non-executive and the Company does not have any employees, hence no Chief Executive, Executive Directors' remuneration nor whistle-blowing policy is required. The Board is satisfied that any relevant issues can be properly considered by the Board. Moreover, the Directors have satisfied themselves that the Company's service providers have appropriate whistle-blowing policies and procedures and have received confirmation from the service providers that nothing has arisen under those policies and procedures which should be brought to the attention of the Board.

Composition, Independence and Role of the Board

The Board currently comprises three non-executive Directors. Both Mr Scott and Mr Burke are considered by the Board to be independent of the Company's Investment Advisor. Mr Nixon is Founding Partner of the Investment Advisor and is therefore not independent.

Whilst Mr Nixon is not an independent director, the presence of two other directors who are independent and non-executive mitigates the risk of Mr Nixon acting against the Company's interest.

Mr Scott was appointed to serve forthwith as Chairman of the Company on 28 March 2019. The Chairman of the Board must be independent for the purposes of Chapter 11 of the UK Listing Rules. Mr Scott is considered independent because he:

- has no current or historical employment with the Investment Advisor;
- has not provided professional services to the Investment Advisor; and
- has no current directorships in any other investment funds managed by the Investment Advisor.

Notwithstanding the Articles of Association of the Company not specifying any limit to the tenure of any director, although triennial re-election is required, the Board has adopted a policy whereby the Directors, including the Chairman, are subject to biennial re-election by shareholders (apart from Mr. Nixon, who is subject to annual re-election) and, subject to there being no change in his or her status in respect of the subject to annual re-election) and, subject to there being no change in his or her status in respect of the independence criteria set out above, the Chairman may freely stand for re-election until his or her tenure would in the aggregate exceed nine years. At that point, the Board will consider, in accordance with the AIC Code, whether or not the Chairman remains independent and, if so, if it would be appropriate for them to stand for annual re-election bearing in mind the countervailing benefits of board refreshment and continuity.

The Board has overall responsibility for maximising the Company's success by directing and supervising the affairs of the business and meeting the appropriate interests of shareholders and relevant stakeholders, while enhancing the value of the Company and also ensuring protection of investors. A summary of the Board's responsibilities is as follows:

- statutory obligations and public disclosure;
- strategic direction and financial reporting;
- risk assessment and management including reporting compliance, governance, monitoring and control; and
- other matters having a material effect on the Company.

The Board is responsible to shareholders for the overall management of the Company.

The Board needs to ensure that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy. In seeking to achieve this, the Directors have set out the Company's investment objective and policy and have explained how the Board and its delegated Committees operate and how the Directors review the risk environment within which the Company operates and set appropriate risk controls. Furthermore, throughout the Annual Report and Financial Statements the Board has sought to provide further information to enable shareholders better to understand the Company's business and financial performance.

The Board's responsibilities for the Annual Report are set out in the Directors' Responsibility Statement below.

The Board is also responsible for issuing half yearly reports, NAV updates and other price sensitive public reports.

The Board does not consider it appropriate to appoint a Senior Independent Director. The Board believes it has a good balance of skills and experience to ensure it operates effectively. The Chairman is responsible for leadership of the Board and ensuring its effectiveness.

The Board has engaged external businesses to undertake the investment advisory and administrative activities of the Company. Documented contractual arrangements are in place with these businesses and these define the areas where the Board has delegated responsibility to them. The Board has adopted a schedule of matters specifically reserved for its decision-making and distinguished these from matters it has delegated to the Company's key service providers.

The Company holds regular board meetings to discuss general management, structure, finance, corporate governance, marketing, risk management, compliance, asset allocation and gearing, contracts and performance. The quarterly Board meetings are the principal source of regular information for the Board enabling it to determine policy and to monitor performance, compliance and controls which are supplemented by communication and discussions throughout the year.

A representative of each of the Investment Advisor and Administrator attends each Board meeting either in person or by telephone, thus enabling the Board fully to discuss and review the Company's operation and performance. Each Director has direct access to the Investment Advisor and Company Secretary and may at the expense of the Company seek independent professional advice on any matter. The Company maintains appropriate Directors' and Officers' liability insurance.

Conflicts of interest of directors

Directors are required to disclose all actual and potential conflicts of interest as they arise for approval by the Board, who may impose restrictions or refuse to authorise conflicts. The process of consideration and, if appropriate, approval will be conducted only by those Directors with no material interest in the matter being considered. The Board maintains a Conflicts of Interest policy which is reviewed periodically and a Business considered. The Board maintains a Conflicts of Interest policy which is reviewed periodically and a Business Interests and Potential Conflicts of Interest register which is reviewed by the Board at each quarterly Board meeting.

Re-election of Directors

There are provisions in the Company's Articles of Incorporation which require Directors to seek re-election on a periodic basis. There is no limit on length of service, nor is there any upper age restriction on Directors. The Board considers that there is significant benefit to the Company arising from continuity and experience among directors, and accordingly does not intend to introduce restrictions based on age or tenure. It does, however, believe that shareholders should be given the opportunity to review membership of the Board on a regular basis.

The Board believes that, while regular rotation is in keeping with good governance, the unquestionable benefits of ensuring that there is some continuity mean that it is in the best interests of the Company that not all Directors offer themselves for re-election each year. The Company may terminate the appointment of a Director immediately on serving written notice and no compensation is payable upon termination of office as a director of the Company becoming effective.

In accordance with the Company's Articles of Incorporation, at each AGM all Directors who held office at the two previous AGM's and did not retire shall retire from office and shall be available for re-election. Messrs. Burke and Nixon will stand for re-election at this year's AGM. Mr Nixon as Founding Partner and a Designated Member of Worsley Associates LLP stands annually. Further details regarding the experience of each of the Directors are set out above.

Board Diversity

The Company is ESCC Listed on the Main Market of the London Stock Exchange and is subject to the UK Listing Rules promulgated by the FCA. The Company has three directors, all of whom are male and none of whom is from a minority ethnic background. As at the Reference Date of 31 March 2025 and throughout the year then ended, the targets set out at UK Listing Rule 6.6.6R(9) were not met.

Worsley Investors Limited is a very small company with a market capitalisation of less than £10 million and an audited net asset value of approximately £12 million. It is not a constituent of the FTSE350 Index, nor the FTSE Small Cap Index, and so is out of scope with regard to the Davies Report on "Women on Boards", the Parker review into ethnic diversity and the Hampton-Alexander review on gender balance in FTSE leadership. However, the Board is cognisant of the practices codified in these reports and, as recommended in the Davies Report, the Board has reviewed its composition. The Board's conclusion from this review is that it believes that the current appointments provide an appropriate and broad range of skills and experience, are in the interests of shareholders and, in light of this and the disproportionate effect on the expense ratio for such a small company of appointing additional directors, no plans to appoint further directors are in contemplation.

Board Evaluation and Succession Planning

The Board conducts an annual self-evaluation of its performance and that of the Company's individual Directors, which is led by the Chairman and, as regards the Chairman's performance evaluation, by the other Directors. The annual self-evaluation considers how the Board functions as a whole taking balance of skills, experience and length of service into consideration and also reviews the individual performance of its members.

To facilitate this annual self-evaluation, the Company Secretary circulates a detailed questionnaire to each Director and a separate questionnaire for the evaluation of the Chairman. The questionnaires, once completed, are returned to the Company Secretary who collates responses, prepares a summary and discusses the Board evaluation with the Chairman prior to circulation to the remaining Board members. On occasions, the Board may seek to employ an independent third party to conduct a review of the Board.

The Board considers it has a breadth of experience relevant to the Company, and the Directors believe that any changes to the Board's composition can be managed without undue disruption. An induction programme has been prepared for any future Director appointments and all Directors receive other relevant training as necessary.

Board and Committee Meetings

The table below sets out the number of scheduled Board, Audit Committee, Risk Committee and

Management Engagement Committee meetings held during the year ended 31 March 2025 and, where appropriate, the number of such meetings attended by each Director who held office during the same period.

	Board of Directors		Audit Committee		Risk Committee		Management Engagement Committee	
	Scheduled	Attended	Scheduled	Attended	Scheduled	Attended	Scheduled	Attended
W. Scott (Chairman)	4	4	3	3	3	3	1	1
R. H. Burke	4	4	3	3	3	3	1	1
B. A. Nixon	4	4	3	3*	3	3	1	1*

*In attendance as a non-voting guest.

In normal circumstances the Board intends to meet not less than four times per year on a quarterly basis in addition to such ad hoc meetings as may be necessary.

Audit Committee

The Company has established an Audit Committee with formal duties and responsibilities. The Audit Committee meets formally at least twice a year and each meeting is attended by the Independent Auditor and Administrator. The Company's Audit Committee is comprised of Mr Burke and Mr Scott. At the invitation of the Audit Committee, Mr. Nixon may attend meetings of the Committee. The Audit Committee is chaired by Mr Burke. The Company does not maintain an internal audit function, and, given that there are only three Directors, the Chair of the Board is a member of the Committee.

The Audit Committee monitors the performance of the Independent Auditor and also examines the remuneration and engagement of the Auditor, as well as its independence and any non-audit services provided by it. A report of the Audit Committee detailing its responsibilities and its key activities is presented below.

Risk Committee

The Company has established a Risk Committee with formal duties and responsibilities. The Risk Committee meets formally at least twice a year. The Risk Committee is comprised of the entire Board and is chaired by Mr Scott. The principal function of the Risk Committee is to identify, assess, monitor and, where possible, oversee the management of risks to which the Company's investments are exposed, with regular reporting to the Board. The Directors have appointed the Risk Committee to manage the additional risks faced by the Company as well as the disclosures to be made to investors and the relevant regulators.

The Risk Committee reviews the robustness of the Company's risk management processes, the integrity of the Company's system of internal controls and risk management systems, and the identification and management of risks through the use of the Company's risk matrix. The Risk Committee reviews the principal, emerging, and other risks relevant to the Company.

The Risk Committee reports on the internal controls and risk management systems to theBoard of Directors. The Board of Directors is responsible for establishing the system of internal controls relevant to the Company and for reviewing the effectiveness of those systems. The review of internal controls is an on-going process for identifying and evaluating the risks faced by the Company, designed to manage effectively rather than attempt to eliminate business risks, to ensure the Board's ability to achieve the Company's business objectives.

It is the responsibility of the Board to undertake the risk assessment and review of the internal controls in the context of the Company's objectives in relation to business strategy, and the operational, compliance and financial risks facing the Company. These controls are operated in the Company's main service providers: the Investment Advisor and Administrator. The Board receives regular updates and undertakes an annual review of each service provider.

The Company is a closed-ended investment company which has no employees. The Company operates by outsourcing significant elements of its operations to reputable professional companies, which are required to comply with all relevant laws and regulations.

The Board of Directors considers the arrangements for the provision of Investment Advisor and Administration services to the Company and as part of the annual review the Board considered the quality of the personnel assigned to handle the Company's affairs, the investment process and the results achieved to the personnel assigned to handle the Company's affairs, the investment process and the results achieved to date.

The Board is satisfied that each service provider has effective controls in place to control the risks associated with the services which they are contracted to provide to the Company and therefore the Board is satisfied with the internal controls of the Company.

Management Engagement Committee
The Company has established a Management Engagement Committee (the "MEC") with formal duties and responsibilities. The MEC meets formally at least once a year. The MEC is comprised of Mr Burke and Mr Scott. The principal function of the MEC is to ensure that the Company's investment advisory arrangements are competitive and reasonable for the shareholders, along with the Company's agreements with all other third party service providers (other than the external auditor).

During the period the MEC has reviewed the services provided by the Investment Advisor and other service providers and recommended that the continuing appointments of the Company's service providers was in the best interests of the Company. The MEC is chaired by Mr Scott.

Nomination Committee
The Board does not have a separate Nomination Committee. The Board as a whole fulfils the function of a Nomination Committee. Any proposal for a new Director will be discussed and approved by the Board,giving full consideration to succession planning and the leadership needs of the Company.

Remuneration Committee
In view of its non-executive nature, the Board considers that it is not appropriate for there to be a separate Remuneration Committee, as anticipated by the AIC Code, because this function is carried out as part of the regular Board business. A Remuneration Report prepared by the Board is contained in the Financial Statements below.

Terms of Reference
All terms of reference for committees are available from the Company's website (www.worsleyinvestors.com).

Internal Controls
The Board is ultimately responsible for establishing and maintaining the Company's system of internal controls and for maintaining and reviewing its effectiveness. The system of internal controls is designed to manage rather than to eliminate the risk of failure to achieve business objectives and by its nature can only provide reasonable and not absolute assurance against misstatement and loss. These controls aim to ensure that assets of the Company are safeguarded, proper accounting records are maintained and the financial information for publication is reliable.

The Board has delegated the day-to-day management of the Company's investment portfolio and the administration, registrar and corporate secretarial functions including the independent calculation of the Company's NAV and the production of the Annual Report and Financial Statements, which are independently audited. Whilst the Board delegates responsibility, it retains accountability for the functions it delegates and is responsible for the systems of internal control.

Formal contractual agreements have been put in place between the Company and providers of these services. On an ongoing basis, board reports are provided at each quarterly board meeting from the Investment Advisor, Administrator and Company Secretary and Registrar; and a representative from the Investment Advisor is asked to attend these meetings.

In accordance with UK Listing Rule 11.7.2 (2) R the Directors formally appraise the performance and resources of the Investment Advisor on an annual basis. In the opinion of the Directors the continuing appointment of the Investment Advisor on the terms agreed is in the interests of the Company and the shareholders.

The Investment Advisor was appointed on 31 May 2019.

The Board has reviewed the need for an internal audit function and owing to the size of the Company and the delegation of day-to-day operations to regulated service providers, an internal audit function is not considered necessary. The Directors will continue to monitor the systems of internal controls in place in order to provide assurance that they operate as intended.

Principal Risks and Uncertainties

In respect of the Company's system of internal controls and its effectiveness, the Directors:

- are satisfied that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity; and
- have reviewed the effectiveness of the risk management and internal control systems including material financial, operational and compliance controls (including those relating to the financial reporting process) and no significant failings or weaknesses were identified.

The principal risks and uncertainties which have been identified have remained unchanged in both the nature and the level of risk during the year and the steps which are taken by the Board to mitigate them are as follows:

Investment Risks

The Company is exposed to the risk that its investment portfolio and the remaining investment property fail to perform in line with the Company's objectives. The Company is exposed to the risk that markets move adversely. The Board reviews reports from the Investment Advisor at each quarterly Board meeting and at other times when expedient, paying particular attention to the diversification of the portfolio and to the performance and volatility of underlying investments. If any risks are identified the Board will ensure that any remediation required is actioned on a timely basis.

Operational Risks

The Company is exposed to the risk arising from any failures of systems and controls in the operations of the Investment Advisor and Administrator. The Board and its Committees regularly review reports from the Investment Advisor and the Administrator and Corporate Broker on their internal controls. If any risks are identified the Board will ensure that any remediation required is actioned on a timely basis.

Accounting, Legal and Regulatory Risks

The Company is exposed to the risk that it may fail to maintain accurate accounting records, fail to comply with requirements of its Prospectus or fail to adapt its processes to changes in law or regulations. The accounting records prepared by the relevant service providers are reviewed by the Investment Advisor. The Administrator, Corporate Broker and Investment Advisor provide regular updates to the Board on compliance with the Prospectus and any changes in regulation.

Financial Risks

The financial risks, including market, credit, liquidity and interest rate risk faced by the Company are set out in note 14 of the Financial Statements below. These risks and the controls in place to reduce the risks are reviewed at the quarterly Board meetings.

Foreign Exchange Risk

The Company is exposed to currency risk given that the assets of its subsidiaries are predominantly denominated in Euro but the presentation currency of the Company is Pounds Sterling. The Investment Advisor reports at least quarterly to the Board on the strategy for managing this risk. Although the Company has the ability to hedge this risk, it has not to date chosen to do so and has no plans to make such arrangements.

Geopolitical Risk

The Directors regularly contemplate the potential impact which geopolitical risks may have on the financial markets in which the Company operates but consider at present that such risks are not significant to the Group.

Emerging Risks

The Board is alert to the identification of any new or emerging risks through the ongoing monitoring of the Company's investment portfolio and by conducting regular reviews of the Company's risk assessment matrix. Should an emerging risk be identified the risk assessment matrix is updated and appropriate mitigating measures and controls will be agreed.

Non-Audit Services Policy

The Company has implemented a policy in relation to the engagement of the external auditor, BDO Limited, to perform non-audit services. As a Market Traded Company ("MTC"), since March 2020, the Company is classified as an EU/UK Public Interest Entity ("PIE") for the purposes of FRCs Ethical Standard. Accordingly, the Audit Committee must consider whether or not the provision of such non-audit services is compatible with the list of permissible services under the FRC's UK Ethical Standards:

The Audit Committee reviews the need for non-audit services, authorises such on a case-by-case basis, and recommends an appropriate fee for such non-audit services to the Board.

The Board considers the actual, perceived and potential impact upon the independence of the external auditor prior to engaging the external auditor to undertake any non-audit service, as well as confirming that any non-audit services are included on the list of permissible services, as amended from time to time by the FRC.

The Board reserves the right to review the policy periodically and, if required, amend it to ensure that the policy is compliant with all applicable law and regulation and best practice.

Promotion of the success of the Company

The Board acts in a manner which is considered to be:

- in good faith;
- likely to promote the continuing success of the Company; and
- to the benefit of its shareholders as a whole.

Whilst the primary duty of the Directors is owed to the Company, the Board considers as part of its discussions and decision making process the interests of all stakeholders.

The Board is committed to maintaining high standards of corporate governance and accountability.

As an investment company, the Company does not have any employees and conducts its core operations through third party service providers, which apart from the shareholders are the only significant stakeholders. Each provider has an established track record and, through regulatory oversight and control, is required to have in place suitable policies and procedures to ensure it maintains high standards of business conduct, treats customers fairly, and employs corporate governance best practice.

Relations with Shareholders

The Board welcomes shareholders' views and places great importance on communication with its shareholders. The Board receives regular reports on the views of shareholders and the Chairman and other Directors are available to meet shareholders if required. The Investment Advisor meets with major shareholders on a regular basis and reports to the Board on these meetings. Issues of concern can be addressed by any shareholder in writing to the Company at its registered address. The AGM of the Company provides a forum for shareholders to meet and discuss issues with the Directors and Investment Advisor of the Company. In addition, the Company maintains a website (www.worsleyinvestors.com) which contains comprehensive information, including regulatory announcements, share price information, financial reports, investment objectives and strategy and investor contacts.

Relations with other stakeholders

Specific consideration is given to the continued alignment between the activities of the Company and those which contribute to delivering the Board's strategy, which include the Investment Advisor, the Corporate Broker and the Administrator.

In particular, open and collaborative dialogue is maintained between the Board and the Investment Advisor, a representative of which is required to attend all Board meetings. In addition, each Director has direct access to the Investment Advisor.

The Board receives regular updates from and undertakes an annual review of each service provider.

In its relationship with suppliers, the Company aims to conduct itself responsibly, ethically and fairly.

In its relationship with suppliers, the Company aims to conduct itself responsibly, ethically and fairly.

The Management Engagement Committee (see below) is charged by the Board with ensuring that the Company's investment advisory arrangements are competitive and reasonable for the shareholders, along with the Company's agreements with all other third party service providers (other than the external auditor).

The Board respects and welcomes the views of all stakeholders. Any queries or areas of concern regarding the Company's operations can be raised with the Company Secretary.

Signed on behalf of the Board by:

W. Scott
Chairman
18 July 2025

Audit Committee Report

Dear Shareholders,

I am pleased to present the Audit Committee's Report for the year ended 31 March 2025, which covers the following topics:

- Responsibilities of the Audit Committee and its key activities during the period,
- Financial reporting and significant areas of judgement and estimation,
- Independence and effectiveness of the external auditor, and
- Internal control and risk management systems.

The Company remains in a transition period until the Curno investment property is disposed of. The Audit Committee's activities during the year have therefore concentrated on maintaining an appropriate risk and control environment, providing suitable disclosure of progress and residual risks in the Financial Statements, ensuring ongoing engagement from service providers and maintaining sufficient liquid funds to meet expenditure for essential or justified items.

Responsibilities
The Audit Committee reviews and recommends to the Board for approval or otherwise, the Financial Statements of the Company and is the forum through which the independent external auditor reports to the Board of Directors. The independent external auditor and the Audit Committee, if either considers this to be necessary, will meet together without representatives of either the Administrator or Investment Advisor being present.

The responsibilities of the Audit Committee include:

1. Monitoring the integrity of the Financial Statements of the Company covering:
    - formal announcements relating to the Company's financial performance;
    - significant financial reporting issues and judgements;
    - matters raised by the external auditor; and
    - appropriateness of accounting policies and practices.

2. Reviewing and considering the AIC Code and FRC Guidance on Audit Committees.

3. Monitoring the quality and effectiveness of the independent external auditor, which includes:
    - meeting regularly to discuss the audit plan and the subsequent findings;
    - considering the level of fees for both audit and non-audit work;
    - reviewing independence, objectivity, expertise, resources and qualification; and
    - making recommendations to the Board on their appointment, reappointment, replacement and remuneration.

4. Reviewing the Company's procedures for prevention, detection and reporting of fraud, bribery and

corruption, and

5. Monitoring and reviewing the internal control and risk management systems of the service providers together with the need for a Company Internal Audit function.

The Audit Committee's full terms of reference can be obtained from the Company's website (www.worsleyinvestors.com).

Financial Reporting
The Audit Committee's review of the Audited Annual Report and Financial Statements focused on the following significant risks and areas of judgement and estimation:

Valuation of Investments and Investment Property
The Group's sole remaining investment property was independently valued at £2.35 million (€2.8 million) as at 31 March 2025 (31 March 2024: £6.29 million (€7.35 million) independently valued). The property comprises a cinema complex in Curno, Italy, owned via an intermediate holding company. The valuation of this investment is in accordance with the requirements of IFRS as issued by the IASB. The valuation estimate is provided by Knight Frank LLP (refer to note 2(d) and note 7 for further details regarding the valuation of the investment property), an external independent valuer. All valuations are also subject to review and oversight by the Investment Advisor.

The Company's non-property investments had a fair value of £8.89 million as at 31 March 2025 (31 March 2024: £8.01 million). The Committee considered the fair value of the investments held by the Company as at 31 March 2025 to be reasonable based on information provided by the Investment Advisor and Administrator. All prices are confirmed to independent pricing sources as at 31 March 2025 by the Administrator and are subject to a review process at the Administrator and oversight at the Investment Advisor (refer to note 8 for further details regarding the valuation of the equity portfolio).

Audit Findings Report
The independent external auditor reported to the Audit Committee that no material unadjusted misstatements were found in the course of their work. Furthermore, the Investment Advisor and Administrator confirmed to the Audit Committee that they were not aware of any material unadjusted misstatements including matters relating to the Financial Statements presentation.

Accounting Policies & Practices
The Audit Committee has assessed the appropriateness of the accounting policies and practices adopted by the Group together with the clarity of disclosures included in the Financial Statements. Following a review of the presentations and reports from the Administrator and consulting where necessary with the independent external auditor, the Audit Committee is satisfied that the Financial Statements appropriately address the critical judgements and key estimates (both in respect to the amounts reported and the disclosures). It is also satisfied that the significant assumptions used for determining the value of assets and liabilities have been appropriately scrutinised, challenged and are sufficiently robust.

The Audit Committee advised the Board that this Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable.

Fraud, Bribery and Corruption
The Audit Committee continues to monitor the fraud, bribery and corruption policies of the Group. The Board receives a confirmation from all service providers that there have been no instances of fraud or bribery.

The Independent External Auditor
BDO Limited served as the Company's Independent Auditor throughout the year and has indicated its willingness to continue in office.

The independence and objectivity of the external auditor is reviewed by the Audit Committee, which also reviews the terms under which the independent external auditor is appointed to perform non-audit services. The Audit Committee has established pre-approval policies and procedures for the engagement of the auditor to provide non audit services.

The following table summarises the remuneration payable to BDO Limited for audit and non-audit services

The following table summarises the remuneration payable to BDO Limited for audit and non-audit services provided to the Company during the year ended 31 March 2025 and the year ended 31 March 2024:

	31 March 2025 £	31 March 2024 £
Statutory audit	45,800	44,500
Total fees	**45,800**	**44,500**

The following table summarises the remuneration payable to BDO Italia S.p.A for audit and non-audit services provided to the Group during the year ended 31 March 2025 and the year ended 31 March 2024:

	31 March 2025 £	31 March 2024 £
Statutory audit	45,800	44,500
Total fees	**45,800**	**44,500**

Performance and Effectiveness
During the period, when considering the effectiveness of the independent external auditor, the Audit Committee has taken into account the following factors:

- the audit plan presented to them before the audit;
- changes in audit personnel;
- the post audit findings report;
- the independent external auditor's own internal procedures to identify threats to independence; and
- feedback received from both the Investment Advisor and Administrator.

The Audit Committee reviewed and, where appropriate, challenged the audit plan and the audit findings report of the independent external auditor and concluded that the audit plan sufficiently identified audit risks and that the audit findings report indicated that the audit risks were sufficiently addressed with no significant variations from the audit plan. The Audit Committee considered reports from the independent external auditor on their procedures to identify threats to independence and concluded that the procedures were sufficient.

Appointment of External Auditor
Consequent to this review process, the Audit Committee recommended to the Board that a resolution be put to the next AGM to confirm the reappointment of BDO Limited as independent external auditor.

Internal Control and Risk Management Systems
The Board of Directors considers the arrangements for the provision of Investment Advisory, Investment Management, Administration and Custody services to the Company on an on-going basis and a formal review is conducted annually. As part of this review the Board considered the quality of the personnel assigned to handle the Company's affairs, the investment process and the results achieved to date.

The Audit Committee has reviewed the need for an internal audit function and has decided that the systems and procedures employed by the Investment Advisor and the Administrator provide sufficient assurance that a sound system of internal control, which safeguards the Company's assets, is maintained. An internal audit function specific to the Group is therefore considered unnecessary.

In finalising the Annual Report and Financial Statements for recommendation to the Board for approval, the Audit Committee has satisfied itself that the Annual Report and Financial Statements taken as a whole are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

A member of the Audit Committee will continue to be available at each AGM to respond to any shareholder questions on the activities of the Audit Committee.

R.H. Burke
Chairman, Audit Committee
18 July 2025

Directors' Remuneration Report

Introduction
An ordinary resolution for the approval of the Directors' Remuneration Report will be put to the shareholders at the forthcoming AGM.

Remuneration Policy
All Directors are non-executive and a Remuneration Committee has not been established. The Board as a whole considers matters relating to the Directors' remuneration. No advice or services were provided by any external person in respect of its consideration of the Directors' remuneration.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate directors of a quality required to run the Company successfully. The Chairman of the Board is paid a higher fee in recognition of his additional responsibilities. The policy is to review fee rates periodically, although such a review will not necessarily result in any changes to the rates, and account is taken of fees paid to directors of comparable companies. The Directors of the Company are remunerated for their services at such a rate as the Directors determine provided that the aggregate amount of such fees does not exceed £120,000 per annum.

There are no long-term incentive schemes provided by the Company and no performance fees are paid to Directors.

None of the Directors has a service contract with the Company but each of the Directors is appointed by a letter of appointment which sets out the main terms of their appointment. Directors hold office until they retire by rotation or cease to be a director in accordance with the Articles of Incorporation, by operation of law or until they resign.

Remuneration
Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally. No Directors have been paid additional remuneration outside their normal Directors' fees and expenses.

The current annual Directors' fees comprise £20,000 per annum payable to the Chairman and £15,000 per annum payable to each of the other Directors.

Upon appointment of Worsley Associates as Investment Advisor on 31 May 2019, Mr Nixon waived any future Directors' fee for as long as he is a member of the Investment Advisor.

For the year ended 31 March 2025 and the year ended 31 March 2024 Directors' fees incurred were as follows:

	For the year ended 31 March 2025 £	For the year ended 31 March 2024 £
W. Scott (Chairman)	**20,000**	20,000
B.A. Nixon	**-**	-
R. H. Burke	**15,000**	15,000
	35,000	35,000

In addition to the Directors named above, the directors of the subsidiaries of the Group received emoluments amounting to £10,830 (31 March 2024: £11,103). Total fees paid to Directors and directors of the subsidiaries were £45,830 (31 March 2024: £46,103).

Signed on behalf of the Board by:

W. Scott
Director
18 July 2025

Independent Auditor's Report to the Members of Worsley Investors Limited

Opinion on the financial statements

Opinion on the financial statements

In our opinion, the consolidated financial statements of Worsley Investors Limited ("the Parent Company") and its subsidiaries ("the Group"):

- give a true and fair view of the state of the Group's affairs as at 31 March 2025 and of its loss for the year then ended;

- have been properly prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board; and

- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the consolidated financial statements of the Group for the year ended 31 March 2025 (the "financial statements") which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of the material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and IFRS as issued by the International Accounting Standards Board.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

We remain independent of the Group in accordance with the ethical requirements that are relevant to our audit of financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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. Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the paper prepared by those charged with governance and management in respect of going concern and discussing this with both the Directors and management.

- Consideration and challenge of the going concern paper and assessing it for reasonableness, based on our knowledge of the Group gained throughout the audit.

- Consideration of the cash available, the liquidity of the equity portfolio held, and the expected profit generated by the property holding subsidiary, together with the expected annual running costs of the Group and determining whether these assumptions were reasonable, based on our knowledge of the Group.

- Performing our own sensitivity analysis of the headroom of the investment portfolio over the annual running expenses.

- Reviewing the minutes of meetings of those charged with governance, the Group's RNS announcements and the compliance reports for any indicators of concern with respect to going concern.

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 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.

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

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

Overview

Key audit matters	➢ Valuation of Investment Property (2024 and 2023) ➢ Valuation and Ownership of Listed Investments (2024 and 2023) ➢ Rental income recognition (2024)
Materiality	*Group financial statements as a whole* £210,000 (2024:£264,000) based on 1.75% (2024: 1.75%) of total assets.

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We carried out a full scope audit of the Group, which was tailored to take into account the nature of the Group's investments, the accounting and reporting environment and the industry in which the Group operates.

In designing our overall audit approach, we determined materiality and assessed the risk of material misstatement in the financial statements.

This assessment took into account the likelihood, nature, and potential magnitude of any misstatement. As part of this risk assessment, we considered the Group's interaction with the Investment Advisor and the Administrator. We obtained an understanding of the control environments in place at the Investment Advisor and the Administrator to the extent that they were relevant to our audit. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

We concluded that the most effective audit approach for the Group was to audit the financial statements as if the Group was one entity.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		**How the scope of our audit addressed the key audit matter**
Valuation of investment property Refer to accounting policies 2(d) and 2(j) and	The Group holds a single investment property which is fair valued. The fair value has been determined by the Directors based on an independent Royal Institute of Chartered Surveyors "RICS" valuation performed by independent valuers.	For the independent property valuation, we evaluated the competence and independence of the external valuer, which included consideration of their qualifications and expertise. We read the terms of their engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed

the disclosure in note 7	Such property valuations are a highly subjective area as they require the valuer to make judgements on property yields, the quality of the tenant and other variables in order to arrive at the current fair value of the property. Such subjectivity and judgements are increased given the wider economic impacts of inflation, interest rate movements and the lower spending power of the average consumer. Any input inaccuracies or unreasonable bases used in the valuation judgements (such as with respect to the rental value or yield profile applied) could result in a material misstatement in the financial statements.	scope limitations upon their work. We also read the valuation report for the property to understand the process undertaken by the valuer and confirmed that the valuation was prepared in accordance with professional valuation standards and IFRS. We considered the reasonableness of the inputs used by the valuer in the valuation, such as the rental terms and other assumptions that impact the value. This included discussions with and challenge of the valuer around the impact of economic variables and the resulting adjustments to yields and overall consideration of the resulting valuation. In addition, we agreed a sample of the significant inputs into the valuation, such as the rental details, to supporting documentation. *Key observation:* Based on the procedures performed, we did not identify any indications to suggest that the judgements made with respect to the property valuation are unreasonable.
Valuation and ownership of listed investments Refer to accounting policies 2(l) and the disclosure in note 8	The investment portfolio as at 31 March 2025 comprises listed investments whose price is readily available. The investments represent a material proportion of the net asset value as disclosed in the Consolidated Statement of Financial Position. Therefore, we consider this to be a key audit matter.	For all investments, we agreed the ownership of the investment portfolio holdings to the respective independently obtained Custodian confirmation. We tested the valuation of all listed investments held by agreeing the prices used in the valuation to independent third-party sources, such as Refinitiv, and then recalculating the valuation based on the number of shares held. Key observation: Based on the procedures performed, we did not identify any matters to indicate that the valuation and ownership of the listed investments are inappropriate.
Rental income recognition Refer to accounting policies 2(g) and the disclosure in note 4	Rental income is the main revenue source of the Group alongside dividend income and so is a key balance in the financial statements. Given the lease termination during the period, there was extra consideration required in assessing the impact of the lease termination on rental income for the period. Furthermore, a new lease was signed at year end for which we also needed to consider the impact on current year rental income. For these reasons, rental income recognition was considered a key audit matter.	Rental income for the pre-existing lease was recalculated in full with reference to the lease agreement and considering the lease termination date. The circumstances of the lease termination were considered and the requirements of IFRS 16 considered, to determine the correct lease termination date. For the new lease, signed as at 31 March 2025, terms were considered and effective date determined based on the terms of the agreement. We then considered the impact of the new lease on current year rental income, considering the effective date of the lease. Key observation: Based on the procedures performed, we did not identify any matters to indicate that the recognition of rental income is inappropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial, as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements	
	2025 £m	2024 £m
Materiality	£210,000	£264,000
Basis for determining materiality	1.75% of total assets	
Rationale for the benchmark applied	Due to the Parent Company being an investment fund with the objective of long-term capital growth, with investment values being a key focus for users of the financial statements.	
Performance materiality	£157,500	£198,000
Basis for determining performance materiality	75% (2024: 75%) of materiality This was determined using our professional judgements and took into account the complexity of the Group and our knowledge of the audit engagement, together with a history of minimal errors and adjustments.	

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £8,400 (2024: £10,560). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. 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.

Corporate governance statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out above; and • The Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why this period is appropriate set out above.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out above; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out above; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out above; and • The section describing the work of the Audit Committee set out above

Other Companies (Guernsey) Law, 2008 reporting

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Parent Company; or

- the financial statements are not in agreement with the accounting records; or

- we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities statement within the Report of the Directors, 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 consolidated financial statements, the Directors are responsible for assessing the Group's and 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.

Extent to which the audit was 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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;

- Discussion with management and those charged with governance and the administrator; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be those that relate to the reporting framework such as IFRS as issued by the International Accounting Standards Board and the Companies (Guernsey) Law, 2008.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Protection of Investors (Bailiwick of Guernsey) Law, 2020, the London Stock Exchange UK Listing Rules and those related to the Group's investment property activities in the jurisdictions in which it operates.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance, compliance reports and RNS announcements for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws or regulations;
- Discussion with and enquiry of management and those charged with governance concerning known or suspected instances of non-compliance with laws or regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud;
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, rental income recognition and the valuation of investment properties.

Our procedures in respect of the above included:

- Testing all materials balances substantively;
- Recalculating the rental income in full based on the agreements, comparing the recalculated amounts with that of management and challenging management on any resulting differences; and
- Challenging the valuation method and assumptions used by management and those charged with governance in connection with the significant accounting estimates, in particular in relation to the investment property valuation and the inputs and judgements adopted therein.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

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.

The engagement director on the audit resulting in this independent auditor's opinion is Simon Hodgson.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Parent 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 Parent Company and the Parent Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of BDO Limited

Chartered Accountants and Recognised Auditor
Second Floor
Plaza House
Admiral Park
St Peter Port
Guernsey

21 July 2025

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2025

	Notes	For the year ended 31 March 2025 £000s	For the year ended 31 March 2024 £000s
Rental income	4	**699**	823
Rental receivable write-off	4	**(44)**	-
Property operating expenses	4	**(162)**	(150)
Net property income		**493**	673
Net gain on investments at fair value through profit or loss	8	**1,240**	183
Unrealised valuation loss on investment property	7	**(3,197)**	(211)
Lease incentive write-off	4,7	**(568)**	-
General and administrative expenses	5	**(689)**	(573)
(Loss)/profit before tax		**(2,721)**	72
Income tax expense	11	**(89)**	(117)
Deferred tax credit	11	**-**	75
(Loss)/profit for the year		**(2,810)**	30
Other comprehensive loss			
Foreign exchange translation loss		**(170)**	(188)
Total items that are or may be reclassified to profit or loss		**(170)**	(188)
Total comprehensive loss for the year		**(2,980)**	(158)
Basic and diluted (loss)/earnings per ordinary share (pence)	6	**(8.33)**	0.09

The accompanying notes form an integral part of these Financial Statements

Consolidated Statement of Changes in Equity
For the year ended 31 March 2025

	Revenue reserve £000s	Capital reserve £000s	Foreign currency reserve £000s	Total equity £000s
Balance at 1 April 2023	**(44,446)**	**47,263**	**12,002**	**14,819**
Profit for the year	30	-	-	30
Other comprehensive loss	-	-	(188)	(188)
Balance at 31 March 2024	**(44,416)**	**47,263**	**11,814**	**14,661**
Balance at 1 April 2024	**(44,416)**	**47,263**	**11,814**	**14,661**
Loss for the year	(2,810)	-	-	(2,810)
Other comprehensive loss	-	-	(170)	(170)
Balance at 31 March 2025	**(47,226)**	**47,263**	**11,644**	**11,681**

The accompanying notes form an integral part of these Financial Statements

Consolidated Statement of Financial Position
As at 31 March 2025

	Notes	31 March 2025 £000s	31 March 2024 £000s
Non-current assets			
Investment property	7	**2,345**	5,661
Lease incentive	4	**-**	570
Current assets			
Cash and cash equivalents		**594**	657
Investments held at fair value through profit or loss	8	**8,885**	8,009
Lease incentive	4	**-**	56
Trade and other receivables	9	**83**	32
Tax receivable		**20**	-
Total assets		**11,927**	14,985
Current liabilities			
Trade and other payables	10	**246**	268
Tax payable		**-**	56
Total liabilities		**246**	324
Total net assets		**11,681**	14,661
Equity			
Revenue reserve	15	**(47,226)**	(44,418)
Capital reserve	15	**47,263**	47,263
Foreign currency reserve	15	**11,644**	11,816
Total equity		**11,681**	14,661
Number of ordinary shares	12	**33,740,929**	33,740,929
Net asset value per ordinary share (pence)	13	**34.62**	43.45

The Consolidated Financial Statements were approved by the Board of Directors and authorised for issue on 18 July 2025. They were signed on its behalf by:

W. Scott
Director

The accompanying notes form an integral part of these Financial Statements

Consolidated Statement of Cash Flows
For the year ended 31 March 2025

	Notes	For the year ended 31 March 2025 £000s	For the year ended 31 March 2024 £000s
Operating activities			
(Loss)/profit before tax		**(2,721)**	72
Adjustments for:			
Unrealised valuation loss on investment property	7	**3,242**	303
Lease incentive write-off	7	**568**	-
Net gains on investments held at fair value through profit or loss	8	**(1,240)**	(183)
Dividend income received	8	**804**	592
Decrease in trade and other receivables		**8**	22
(Decrease)/increase in trade and other payables		**(22)**	90
Purchase of investments held at fair value through profit or loss	8	**(1,207)**	(793)
Proceeds on sale of investments held at fair value through profit or loss	8	**708**	214
Net cash from operations		**140**	317
Tax paid		**(168)**	(192)
Net cash (outflow)/inflow from operating activities		**(28)**	125
Effects of exchange rate fluctuations		**(35)**	(9)
(Decrease)/increase in cash and cash equivalents		**(63)**	116
Cash and cash equivalents at start of the year		**657**	541
Cash and cash equivalents at the year end		**594**	657

The accompanying notes form an integral part of these Financial Statements

1. Operations

Worsley Investors Limited (the "Company") is a limited liability, closed-ended investment company incorporated in Guernsey. The Company historically invested in commercial property in Europe held through subsidiaries. The Company's current investment objective is to provide Shareholders with an attractive level of absolute long-term return, principally through the capital appreciation and exit of undervalued securities. The existing real estate asset of the Company will be realised in an orderly manner, that is with a view to optimising the disposal value of such asset.

The Consolidated Financial Statements (the "Financial Statements") of the Company for the year ended 31 March 2025 comprise the Financial Statements of the Company and its subsidiaries (together referred to as the "Group").

Please refer to the Investment Policy below. The Company's registered office is included below.

2. Material accounting policies

(a) Basis of preparation

The Financial Statements, which show a true and fair view, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and are in compliance with the Companies (Guernsey) Law, 2008. The Financial Statements have been prepared on a going concern basis, and the accounting policies, presentation and methods of computation are consistent with this basis, as disclosed in the going concern paragraph below.

The Directors believe that the Financial Statements contain all of the information required to enable shareholders and potential investors to make an informed appraisal of the investment activities and profits and losses of the Group for the period to which they relate and do not omit any matter or development of significance.

(b) Going concern

These Financial Statements have been prepared on a going concern basis. The Directors, at the time of approving the Financial Statements, have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements. The Group maintains a significant cash balance and an extensive portfolio of securities, and the dividend income on this, allied to the property lease generates sufficient cash flows to pay on-going expenses and other obligations. The Directors have considered the cash position and performance of the current capital invested by the Group, the potential impact on markets and supply chains of geopolitical risks, as well as continuing macro-economic factors and inflation and concluded that it is appropriate to adopt the going concern basis in the preparation of these Financial Statements.

Going concern is assessed over the period of at least 12 months from the approval of these Financial Statements. Owing to the fact that the Group currently has no borrowing, has a significant cash holding and that the Company's equity investments predominantly comprise readily realisable securities, the Board considers there to be no material uncertainty.

(c) Adoption of new standards and its consequential amendments

New Accounting Standards interpretations and amendments adopted in the reporting period

- IAS 1 (amended), "Presentation of Financial Statements" (amendments regarding the classification of debt with covenants, effective for periods commencing on or after 1 January 2024).
- IAS 1 (amended), "Presentation of Financial Statements" (amendments regarding the classification of liabilities as current or non-current), effective for periods commencing on or after 1 January 2024).
- IFRS 16 (amended), "Leases" (amendments regarding lease liabilities in a sale and leaseback), effective for periods commencing on or after 1 January 2024).

The adoption of these amended standards has had no material impact on the financial statements of the Company.

New and amended accounting standards applicable to future reporting periods

The following relevant standards, which have not been applied in these Financial Statements, were in issue at the reporting date but not yet effective:

- IFRS 7 (amended), "Financial Instruments: Disclosures" (effective for accounting periods commencing on or after 1 January 2026); and
- IFRS 9 (amended), "Financial Instruments" (effective for accounting periods commencing on or after 1 January 2026); and
- IFRS 18, "Presentation and Disclosures in Financial Statements" (effective for accounting periods commencing on or after 1 January 2027).

The amendments to IFRS 7 and IFRS 9 were published in May 2024 and relate to the classification and measurement of financial instruments.

IFRS 18 sets out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

With the exception of IFRS 18, the Directors do not anticipate that the adoption of these new and amended standards in future periods will have a material impact on the financial statements of the Company.

(d) Significant estimates and judgements

The preparation of the Group's Financial Statements requires management to make judgements, estimates and assumptions which affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes which require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Judgements:

In the process of applying the Group's accounting policies, management made no judgements which had an effect on the amounts recognised in the Financial Statements.

(ii) Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising which are beyond the control of the Group.

Revaluation of investment property

The Group carries its investment property at fair value, with changes in fair value being recognised in the Consolidated Statement of Comprehensive Income. The investment property is valued quarterly by an external independent valuer as at the end of each calendar quarter. Their valuations are reviewed quarterly by the Board.

For the year ended 31 March 2025, quarterly valuations of the investment property were carried out by Knight Frank LLP, external independent valuers to the Group, in accordance with the Royal Institution of Chartered Surveyors' ("RICS") Appraisal and Valuation Standards. The property has been valued in accordance with the definition of the RICS Valuation which is defined as the price which would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation is based on the highest and best use of the investment property.

The key assumptions used to determine the market value of the investment property are explained further in note 7.

(e) Foreign currency translation

Functional currency

The Company's functional currency is pounds sterling and the subsidiaries' functional currency is Euro. The Board of Directors considers that the Group's functional currency is pounds sterling, as the capital raised, return on capital and any distributions paid by the Parent Company are in pounds sterling. The Euro most faithfully represents the economic effect of the underlying transactions, events and conditions of the subsidiaries. The Euro is the currency in which the subsidiaries measure their performance and report their results.

Foreign currency transactions

Transactions in foreign currencies are translated to presentation currency at the spot foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Consolidated Statement of Financial Position date are translated to presentation currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income. Non-monetary assets and liabilities which are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the original transaction. Non-monetary assets and liabilities denominated in foreign currencies which are stated at fair value are translated to presentation currency at foreign exchange rates ruling at the dates the fair value was determined.

Exchange differences on foreign operations

The assets and liabilities of foreign operations, arising on consolidation, are translated to presentation currency at the foreign exchange rates ruling at the Consolidated Statement of Financial Position date. The income and expenses of foreign operations are translated to presentation currency at an average rate where this is considered reasonably to represent the foreign exchange rate for the period. Foreign exchange differences arising on retranslation are recognised in other comprehensive income and as a separate component of equity.

(f) Basis of consolidation

(i) Subsidiaries

The Financial Statements comprise the Financial Statements of the Company and its subsidiaries as at 31 March each year. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

(ii) Transactions eliminated on consolidation

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions are eliminated in preparing the Financial Statements.

Worsley Investors Limited, the Company, is the parent of the Group. It was incorporated in Guernsey on 5 April 2005. The Company owned the following subsidiary as at the reporting date:

Subsidiaries	Country of incorporation	Date of incorporation	Ownership interest %	Principal activities	Financial year end
Property Trust Luxembourg 2 S.à r.l.	Luxembourg	24 November 2005	100.00%	Holding Company	31 March

The company shown in the table below was directly owned by Property Trust Luxembourg 2 S.à r.l. as at the reporting date:

Indirect subsidiaries and joint ventures	Country of incorporation	Ownership interest %	Financial year end
Multiplex 1 S.r.l.	Italy	100.00%	31 December

Multiplex 1 S.r.l. has a reporting date of 31 December owing to legacy set up, however, the consolidation incorporates results up to 31 March.

(g) Income recognition

Rental income is income from the investment property leased out under operating leases and is recognised in the Consolidated Statement of Comprehensive Income on a straight-line basis over the term of the lease. Lease incentives are amortised over the whole lease term and derecognised on expiry of the lease term, or termination of the lease.

Dividend income from equity investments is recognised on the ex-dividend date when the relevant investment is declared ex-dividend and is included gross of withholding tax.

(h) Expenses/other Income

Expenses are accounted for on an accruals basis.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits carried at amortised cost. Cash equivalents are short-term, highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Purchases and sales of investments are considered to be operating activities of the Company, given its purpose, rather than investing activities. The cash flows arising from these activities are shown in the Consolidated Statement of Cash Flows as operating activities.

(j) Investment property

Investment property is held to earn rental income and capital appreciation and is recognised as such. Investment property is initially recognised at cost, being the fair value of consideration given, including associated transaction costs.

After initial recognition, investment property is measured at fair value using the fair value model with unrealised gains and losses recognised in the Consolidated Statement of Comprehensive Income. Realised gains and losses upon disposal of the property are recognised in the Consolidated Statement of Comprehensive Income. Quarterly valuations are carried out by Knight Frank LLP, external independent valuers, in accordance with the RICS Appraisal and Valuation Standards. The property has been valued in accordance with the definition of the RICS Valuation which is defined as the price which would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation is based on the highest and best use of the investment property.

Lease incentive assets are deducted from the independent valuation to arrive at fair value for accounting purposes (refer to note 7 for further details).

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.

Investment property is derecognised when it has been disposed of. Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within gain/(loss) on disposals of subsidiaries and investment property.

(k) Operating leases (lessor)

The determination of whether or not an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed to establish if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Where an operating lease is modified it is accounted for as a new lease with any prepaid or accrued lease payments relating to the original lease being treated as part of the lease payments for the new lease.

(l) Financial instruments

Financial assets and financial liabilities are recognised in the Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset and the net amount reported in the Consolidated Statement of Financial Position and Consolidated Statement of Comprehensive Income when there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis or realise the asset and liability simultaneously.

On initial recognition, the Group classifies financial assets as measured at amortised cost or at fair value through profit or loss ("FVTPL").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows which are solely payments of principal and interest.

In making an assessment of the objective of the business model in which a financial asset is held, the Group considers all of the relevant information about how the business is managed.

The Group has determined that it has two business models:

- Held-to-collect business model: this includes cash and cash equivalents and other receivables. These financial assets are held to collect contractual cash flows.
- Other business model: this includes investments in listed equities and investment funds. These financial assets are managed, and their performance is evaluated, on a fair value basis, with sales taking place routinely.

Investments at fair value through profit or loss ("investments")

Recognition

Investments are recognised in the Company's Statement of Financial Position when the Company becomes a

Investments are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Purchases and sales of investments are recognised on the trade date (the date on which the Company commits to purchase or sell the investment). Investments purchased are initially recorded at fair value, being the consideration given, excluding transaction or other dealing costs associated with the investment.

Measurement
Subsequent to initial recognition, investments are measured at fair value. Gains and losses arising from changes in the fair value of investments and gains and losses on investments that are sold are recognised through profit or loss in the Consolidated Statement of Comprehensive Income within net changes in fair value of financial assets at fair value through profit or loss.

Investments traded in active markets are valued at the latest available bid prices ruling at midnight on the reporting date. The Directors are of the opinion that the bid-market prices are the best estimate of fair value. Investments consist of listed or quoted equities or equity-related securities, options and bonds which are issued by corporate issuers, supra-nationals or government organisations, and investment in funds.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses arising from changes in the fair value of financial assets/(liabilities) are shown as net gains or losses on financial assets through profit or loss and recognised in the Consolidated Statement of Comprehensive Income in capital in the period in which they arise.

Realised gains and losses arising on disposal of investments are calculated by reference to the proceeds received on disposal and the average cost attributable to those investments and are recognised in the Consolidated Statement of Comprehensive Income. Unrealised gains and losses on investments are recognised in the Consolidated Statement of Comprehensive Income.

Capital
Financial instruments issued by the Group are treated as equity if the holder has only a residual interest in the assets of the Group after the deduction of all liabilities. The Company's Ordinary Shares are classified as equity instruments.

The Group's capital is represented by the Ordinary Shares, revenue reserve, capital reserve and foreign exchange reserve. Share premium is included in the capital reserve presented in the Consolidated Statement of Changes in Equity. The capital of the Company is managed in accordance with its investment policy in pursuit of its investment objective, both of which are set out below. It is not subject to externally imposed capital requirements. The Ordinary shares carry rights regarding dividends, voting, winding-up and redemptions, which are detailed in full in the Company's Memorandum and Articles of Incorporation.

(m) Taxation

The Company has obtained exempt company status in Guernsey under the terms of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and accordingly is subject to an annual fee of £1,600 (2024: £1,600). The Directors intend to conduct the Group's affairs such that it continues to remain eligible for exemption.

The Company's subsidiaries are subject to income tax on any income arising on investment property, after deduction of debt financing costs and other allowable expenses. However, when a subsidiary owns a property located in a country other than its country of residence the taxation of the income is defined in accordance with the double taxation treaty signed between the country where the property is located and the residence country of the subsidiary.

Income tax on the profit or loss for the period comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year as determined under local tax law, using tax rates enacted or substantially enacted at the Consolidated Statement of Financial Position date, and any adjustment to tax payable in respect of previous periods.

Deferred income tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. 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 substantially enacted at the Consolidated Statement of Financial Position date, except in the case of investment property, where deferred tax is provided for the effect of the sale of the property. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset is utilised.

Details of current tax and deferred tax assets and liabilities are disclosed in note 11.

(n) Determination and presentation of operating segments
The Company has entered into an Investment Advisory Agreement with the Investment Advisor, under which the Board has appointed the Investment Advisor to oversee on a day-to-day basis the assets of the Company, subject to their review and control and ultimately the overall supervision of the Board. The Board retains full responsibility to ensure that the Investment Advisor adheres to its mandate. Moreover, the Board is fully responsible for the appointment and/or removal of the Investment Advisor. Accordingly, the Board is deemed to be the "Chief Operating Decision Maker" of the Company.

The Board has considered the requirements of IFRS 8, "Operating Segments". The Board is of the view that the Group has two segments of business (see note 18).

3. Material agreements

Investment Advisory Agreements

Worsley Associates LLP
The Investment Advisory Agreement had an initial term of two years, with either Worsley Associates LLP or the Company being able to terminate the agreement by giving 12 months' notice from 1 June 2020 and thereafter on a rolling 12 months' notice basis. On giving the requisite 12 months' notice there is no compensation on termination (save in respect of any payment made in lieu of notice where Worsley Associates and the Company agree to terminate the Investment Advisory Agreement on less than 12 months' notice). In addition, the Company and Worsley Associates may terminate the Investment Advisory Agreement in certain limited circumstances.

Pursuant to the Investment Advisory Agreement, Worsley Associates is entitled to an annual advisory fee of 1.25 per cent. of the Company's Net Asset Value, to the extent that the Company's Net Asset Value is £40 million or less, but subject to a minimum fee of £150,000 per annum. If the Company's Net Asset Value exceeds £40 million, the Company will pay Worsley Associates a fee equal to 1.25 per cent. of £40 million and 1.00 per cent. of the amount by which the Company's Net Asset Value exceeds £40 million.

In accordance with an addendum to the Investment Advisory Agreement entered into during the prior year, with effect from 1 October 2022 the Company agreed that it would reimburse Worsley Associates for the costs it incurs using the FactSet financial market information system for dealing and research on behalf of the Company for so long as the Investment Advisory fees paid to Worsley Associates are below £200,000 per annum, such re-imbursement tapering to zero at the rate of 50p per £1 of annual Investment Advisory fees above £200,000 per annum.

During the year, Worsley Associates was due Investment Advisory fees of £197,328 (31 March 2024 £187,057). Fees of £18,687 were outstanding as at 31 March 2025 (31 March 2024: £18,825).

Broker Agreement

Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited
On 18 April 2019, Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited (together "Shore Capital") were appointed as the Company's financial adviser and broker. Fees expensed in the year ended 31 March 2025 totalled £25,000 (31 March 2024 £25,000) of which none was outstanding as at 31 March 2025 (31 March 2024: £nil).

Administrator Agreement

Effective 31 January 2025, the Company's appointed Administrator, Sanne Fund Services (Guernsey) Limited completed an amalgamation of corporate bodies pursuant to Part VI of the Companies (Guernsey) Law, 2008 with Apex Fund and Corporate Services (Guernsey) Limited (the "Amalgamation"). As a result of the

Amalgamation, the name of the Administrator changed to Apex Fund and Corporate Services (Guernsey) Limited. There are no further material changes arising from the Amalgamation and all pre-existing contractual arrangements in place between the Company and the Administrator remain in force.

With effect from 28 June 2019, the Administrator has been entitled to an annual fee payable by the Company as follows:

- Where the Net Asset Value ("NAV") is up to £20 million a fixed fee of £70,000 per annum applies. This fee is subject to annual adjustment for inflation; and
- Where the NAV is over £20 million but up to £100 million a further fee equating to 0.025% of NAV per annum will be charged on the excess; and
- Where the NAV is over £100 million, a further fee equating to 0.06% per annum of the NAV in excess of £100 million will be charged.

During the year, the Administrator was due fees of £84,463 (31 March 2024: £79,446) of which £24,245 was outstanding as at 31 March 2025 (31 March 2024: £44,470).

Fees totalling £38,641 were also paid to the administrators of the subsidiaries (31 March 2024: £45,986).

Custody Agreement

With effect from 5 July 2019, Butterfield Bank (Guernsey) Limited was appointed as Custody Agent to the Company. Butterfield Bank (Guernsey) Limited is entitled to an annual fee payable by the Company at the rate of 0.1% per annum of the gross value of the investments held, subject to a minimum fee of £400 per annum.

During the year, Butterfield Bank (Guernsey) Limited was due a custody agency fees of £9,392 (31 March 2024: £8,256). Fees of £2,318 were outstanding as at 31 March 2025 (31 March 2024: £2,084).

During the year, Butterfield Bank (Guernsey) Limited was due transaction fees of £11,634 incurred as a result of investment trading (31 March 2024: £1,150). No transaction fees were outstanding as at 31 March 2025 (31 March 2024: £nil).

4. Rental income

Gross rental income for the year ended 31 March 2025 amounted to £0.70million (31 March 2024: £0.82 million). The Group leases out its investment property, a cinema complex, under an operating lease which is structured in accordance with local practices in Italy.

UCI lease
The UCI lease was originally signed in December 2018, but after negotiations necessitated by COVID-19 a lease amendment was signed on 11 September 2020. The summary lease terms were as follows:

- *Term*
  17.5 years fixed, from 1 January 2019 until 30 June 2035 with an automatic nine-year extension unless cancelled by the tenant with a minimum 12-month notice period.
- *Base Rent*
  From 1 March 2021 to 31 December 2021 - €915,000, and from 1 January 2022 indexed to 100% of the ISTAT Consumer Index on an upwards-only basis. On 1 January 2024 annual rental increased to €1,063,437 and on 1 January 2025 annual rental increased to €1,075,134.
- *Variable Rent*
  An incremental rent of between €1.50 and €2.50 per ticket sold above a minimum threshold of 350,000 tickets per calendar year. There was no variable rent earned in the year ended 31 March 2025 (31 March 2024: none).

On 17 January 2025, the Company announced that UCI had informed the Group that it would vacate the property on 30 January 2025. After UCI failed to pay any rental for the period subsequent to 10 January, as of the close of business on 25 February, pursuant to Italian law, the lease agreement automatically terminated the close of business on 25 February, pursuant to Italian law, the lease agreement automatically terminated for default. For the purposes of IFRS 16 "Leases", the accounting date for the termination of the lease has been determined as 30 January 2025, as this is the date until which UCI had access to the right of use of the cinema.

Notorious lease

The Company has entered into a new lease agreement with Notorious Cinema S.r.l. ("Notorious"), an Italian company, for it to operate the cinema complex. Notorious is a wholly owned subsidiary of Notorious Pictures S.p.A., an Italian company, whose shares are listed on the Euronext Growth Milan market, and which through its group of companies is an international movie producer and distributor and one of Italy's leading cinema operators. Notorious has pledged to invest approximately €2 million (plus VAT) in a substantial refurbishment and upgrade of the property. The lease was signed on 31 March 2025, however, the effective date of the lease agreement is 3 April 2025. The Notorious lease terms are summarised as follows:

- *Term*

  The Lease will have an initial termination date of 31 August 2035. Notorious has a unilateral right to renew the Lease for a further eight years under the same terms and conditions.

  In addition, Notorious has the right to withdraw from the lease on 31 August 2031. In the event of the lease renewing on 1 September 2035, each party has the unilateral right to withdraw as of 31 August 2039.

- *Rent*

  From the outset Notorious will pay Multiplex turnover rent, subject to the following minima: From 1 September 2025 until 31 August 2026 - €500,000, from 1 September 2026 until 31 August 2027 - €525,000, from 1 September 2027 until 31 August 2028 - €550,000.

  On 1 September 2028 and annually thereafter the minimum rental will increase by 75% of the variation over the previous twelve months in the Italian ISTAT consumer price index.

  In recognition of Notorious's expenditure on the refurbishment of the cinema, from 1 September 2025 until 31 August 2030, the annual rental payable, noted above, will be reduced each year by €108,000.

Minimum Lease Payments (based on actual cash flows)

	31 March 2025		31 March 2024	
EUR	**€000s**	**£000s**	€000s	£000s
Less than 1 year	**229**	**193**	1,063	895
1-2 years	**407**	**343**	1,063	895
2-3 years	**431**	**364**	1,063	895
3-4 years	**442**	**372**	1,063	895
4-5 years	**442**	**372**	1,063	895
After 5 years	**734**	**618**	6,646	5,599

The minimum lease payment as at 31 March 2025 reflects the minimum cash flows under the lease agreement with Notorious (2024: UCI).

Lease incentive

	Year ended 31 March 2025 £000s	Year ended 31 March 2024 £000s
Lease incentive at beginning of year	**626**	737
Lease incentive movement for the year	**(45)**	(92)
Foreign exchange translation	**(13)**	(19)
Lease incentive write-off	**(568)**	-
Lease incentive at end of year	-	626

The lease incentive in relation to the rental agreement with UCI was written off as at the lease termination date of 30 January 2025 for accounting purposes. See note 7 for further details.

The amounts recognised in the Consolidated Statement of Comprehensive Income of the Group in relation to the investment property are as follows:

Rental income

	Year ended 31 March 2025	Year ended 31 March 2024
	£000s	£000s
Base rental income*	**744**	915
Straight lining of lease incentives	**(45)**	(92)
Rental income (net of lease incentives)	**699**	823

*Base rental income included £44,000 of accrued income from UCI which has been written-off on the Statement of Comprehensive Income

Expense from services to tenants, other property operating and administrative expenses

	Year ended 31 March 2025 £000s	Year ended 31 March 2024 £000s
Property expenses arising from investment property	**162**	150
Lease incentive write-off	**568**	-
Rental income receivable write-off	**44**	-
Total property expenses	**774**	150

5. General and administrative expenses

	Year ended 31 March 2025 £000s	Year ended 31 March 2024 £000s
Administration fees (note 3)	**123**	125
General expenses	**101**	86
Audit fees	**54**	55
Legal and professional fees	**121**	25
Directors' fees and expenses (note 16)	**46**	46
Insurance fees	**22**	24
Corporate Broker fees (note 3)	**25**	25
Investment Advisor fees (note 3 and note 16)	**197**	187
Total	**689**	573

6. Basic and diluted (loss)/earnings per Share

The basic and diluted earnings per share for the Group is based on the net loss for the year of £2.81 million (31 March 2024: net profit of £0.030 million) and the weighted average number of Ordinary Shares in issue during the year of 33,740,929 (31 March 2024: 33,740,929). There are no instruments in issue which could potentially dilute earnings or loss per Ordinary Share.

7. Investment property

	Year ended 31 March 2025 £000s	Year ended 31 March 2024 £000s
Value of investment property before lease incentive adjustment at beginning of the year	**6,287**	6,770
Fair value adjustment	**(3,810)**	(303)
Foreign exchange translation	**(132)**	(180)
Independent external valuation	**2,345**	6,287
Adjusted for: Lease incentive (note 4)*	**-**	(626)
Fair value of investment property at the end of the year	**2,345**	5,661
Fair value adjustment on property	**(3,810)**	(303)
Lease incentive write-off (note 4)	**568**	-
Adjustment to fair value for lease incentive movement (note 4)	**45**	92
Total unrealised valuation loss on investment property	**(3,197)**	(211)

* The Lease incentive was previously separately classified as a non-current and current asset within the Consolidated Statement of Financial Position and to avoid double counting was deducted from the property valuation to arrive at fair value for accounting purposes. The property is carried at fair value. The lease incentive granted to the tenant was being amortised over the term of the lease. In accordance with IFRS, the valuation is reduced by the carrying amount of the lease incentive as at the valuation date. Quarterly valuations are carried out at 31 March, 30 June, 30 September and 31 December by Knight Frank LLP, external independent valuers.

The resultant fair value of investment property is analysed below by valuation method, according to the levels of the fair value hierarchy. The different levels have been defined as follows:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices);
Level 3: inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The investment property (Curno) is classified as Level 3.

The significant assumptions made relating to its independent valuation are set out below:

Significant assumptions	**31 March 2025**	31 March 2024
Gross estimated rental value per sqm p.a.	**75.45€**	113.85€
Equivalent yield	**10.00%**	10.75%

The external valuer has carried out its valuation using the comparative and investment methods. The assessment was made on the basis of a collation and analysis of appropriate comparable investment and rental transactions. The market analysis has been undertaken using market knowledge, enquiries of other agents, searches of property databases, as appropriate and any information provided to them. The external valuer has adhered to the RICS Valuation - Professional Standards.

An increase/decrease in assumed rentals will increase/decrease valuations, while an increase/decrease to yield decreases/increases valuations. The information below sets out the sensitivity of the independent property valuation to changes in Fair Value.

If no tenant break is assumed then property value increases by €261,793 (2024: no comparative).

If assumed rental values increases by 50% then property value increases by 77.98%, being €2,183,483 (31 March 2024: if rental value increased by 10% then property value increased by 3.22%, being €236,670).
If assumed rental values increases by 25% then property value increases by 38.25%, being €1,070,869 (31 March 2024: if rental value decreased by 10% then property value decreased by 3.22%, being €236,670).

If yield increased by 0.5% then property value decreases by 5.76%, being €161,280 (31 March 2024: if yield increased by 0.5% then property value decreased by 3.73%, being €273,940).
If yield decreased by 0.5% then property value increases by 6.41%, being €179,480 (31 March 2024: if yield decreased by 0.5% then property value increased by 4.09%, being €532,021).

Property assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to uncertainty. There is no assurance that estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date. Rental income and the market value for properties are generally affected by overall conditions in the local economy, such as growth in Gross Domestic Product ("GDP"), employment trends, inflation and changes in interest rates. Changes in GDP may also impact employment levels, which in turn may impact the demand for premises. Furthermore, movements in interest rates may affect the cost of financing for real estate companies.

Both rental income and property values may be affected by other factors specific to the real estate market, such as competition from other property owners, the perceptions of prospective tenants of the such as competition from other property owners, the perceptions of prospective tenants of the attractiveness, convenience and safety of properties, the inability to collect rents because of the bankruptcy or the insolvency of tenants, the periodic need to renovate, repair and release space and the costs thereof, the costs of maintenance and insurance, and increased operating costs., Factors specific to the real estate market for cinemas include changes in movie consumer viewing habits and variation in the number and quality of movie releases. The Investment Advisor addresses market risk through a credit evaluations of tenants, ongoing monitoring of tenants and through effective management of the property.

8. Investments at fair value through profit or loss

	Year ended 31 March 2025	Year ended 31 March 2024 £000s
Fair value of investments at beginning of the year	**8,009**	7,839
Purchases	**1,207**	793
Sales	**(708)**	(214)
Realised gains	**356**	101
Unrealised gains/(losses)	**21**	(510)
Fair value at the end of the year	**8,885**	8,009

As at 31 March 2025, the cost of the Investments at FVTPL was £6.443 million (31 March 2024: £5.588 million).

	Year ended 31 March 2025 £000s	Year ended 31 March 2024 £000s
Realised gains	**356**	101
Unrealised gains/(losses)	**21**	(510)
Dividend income	**863**	592
Net gains on investments at FVTPL	**1,240**	183

The fair value of investments at FVTPL are analysed below by valuation method, according to the levels of the fair value hierarchy. The different levels are defined in note 14.

The following table analyses within the fair value hierarchy the Company's financial assets at fair value through profit or loss:

31 March 2025	**Level 1 £000s**	**Level 2 £000s**	**Level 3 £000s**	**Total £000s**
Fair value through profit or loss				
- Investments	**6,726**	**2,111**	**48**	**8,885**

Within the Company's financial assets classified as Level 2, securities totalling £1,483,849 are traded on the London Stock Exchange or AIM Market and securities of £627,000 are traded on the Aquis Exchange. The Level 2 securities are valued at the traded price as at the year end and no adjustment has been deemed necessary to these prices. However, although these are traded, they are not regularly traded in significant volumes and hence have been classified as level 2.

31 March 2024	**Level 1 £000s**	**Level 2 £000s**	**Level 3 £000s**	**Total £000s**
Fair value through profit or loss				
- Investments	**5,705**	**2,304**	**-**	**8,009**

Within the Company's financial assets classified as Level 2, securities totalling £1,265,077 were traded on the London Stock Exchange or AIM Market and securities of £1,039,375 were traded on the Aquis Exchange. The Level 2 securities were valued at the traded price as at the year end and no adjustment was deemed necessary to these prices. However, although these were traded, they were not regularly traded in significant volumes and hence were classified as level 2.

The valuation and classification of the investments are reviewed on a regular basis. The Board determines whether or not transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input which is significant to the fair value measurement as a whole) at the end of each reporting period.

The following transfers between levels occurred during the reporting period (31 March 2024: None):

31 March 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
	£000s	**£000s**	**£000s**	**£000s**
Opening fair value	5,705	2,304	-	8,009
Purchases	165	1,042	-	1,207
Sales	(632)	(76)	-	(708)
Realised gains/(losses)	363	(7)	-	356
Unrealised gains/(losses)	326	(305)	-	21
Transfers from level 2 to level 1	799	(799)	-	-
Transfers from level 2 to level 3	-	(48)	48	-
Closing fair value	**6,726**	**2,111**	**48**	**8,885**

During the year, Caledonian Trust Plc shares ceased trading on the London Stock Exchange and have been reclassified from Level 2 to Level 3 at the year end. AssetCo PLC shares, which previously traded on the London Stock Exchange, underwent a reorganisation and was subdivided into River Global PLC A shares and River Global PLC B shares. Both share classes were subsequently reclassified from Level 2 to Level 1 at the year end.

9. Trade and other receivables

	31 March 2025	31 March 2024
	£000s	£000s
Prepayments	**24**	32
Dividends receivable	**59**	-
Total	**83**	32

The carrying values of trade and other receivables are considered to be approximately equal to their fair value.

10. Trade and other payables

	31 March 2025	31 March 2024
	£000s	£000s
Investment Advisor fee (note 3 and note 16)	**19**	19
Administration fees (note 3)	**24**	44
Audit fees	**49**	46
Director fees payable	**2**	2
Other	**152**	157
Total	**246**	268

Trade and other payables are non-interest bearing and are normally settled on 30-day terms. The carrying values of trade and other payables are considered to be approximately equal to their fair value.

11. Taxation

	Year ended 31 March 2025	**Year ended 31 March 2024**
	£000s	**£000s**
Effect of:		
Current tax		
Guernsey	**-**	-
Luxembourg	**(4)**	(5)
Italy	**(85)**	(112)
Total current tax	**(89)**	(117)
Deferred tax credit	**-**	75
Total deferred tax	**-**	75
Tax charge during the year	**(89)**	(42)

The Company is exempt from Guernsey taxation

The Company is exempt from Guernsey taxation.

Movement in temporary differences

	1 April 2024 £000	Recognised in profit or loss £000	Foreign exchange loss on translation £000	31 March 2025 £000
Deferred tax liabilities	-	-	-	-

	1 April 2023 £000	Recognised in profit or loss £000	Foreign exchange loss on translation £000	31 March 2024 £000
Deferred tax liabilities	75	(75)	-	-

Which consists of:

	31 March 2024 £000
Revaluation of investment property	(131)
Other timing difference	206
Total	75

12. Share capital

	Year ended 31 March 2025 **Number of shares**	Year ended 31 March 2024 Number of shares
Shares of no par values issued and fully paid		
Balance at the start of the year	33,740,929	33,740,929
Balance at the end of the year	**33,740,929**	33,740,929

No shares were issued by the Company during the year (31 March 2024: none).

13. Net asset value per ordinary share

The Net Asset Value per Ordinary Share at 31 March 2025 is based on the net assets attributable to the ordinary shareholders of £11.681 million (31 March 2024: £14.461 million) and on 33,740,929 (31 March 2024: 33,740,929) ordinary shares in issue at the Consolidated Statement of Financial Position date.

14. Financial risk management

The Group is exposed to various types of risk which are associated with financial instruments. The Group's financial instruments comprise investments, bank deposits, cash, receivables and payables which arise directly from its operations. The carrying value of financial assets and liabilities approximates the fair value. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest risk, concentration risk, foreign currency risk, market risk and market price risk.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment which it has entered into with the Group. Failure of any relevant counterparty to perform its obligations in respect of these items may lead to a financial loss. The Group is principally exposed to credit risk in respect of cash and cash equivalents and trade and other receivables. The credit risk associated with debtors is limited to trade and other receivables. It is the opinion of the Board of directors that the carrying amounts of these financial assets represent the maximum credit risk exposure as at the reporting date.

The credit risk on cash and cash equivalents is considered limited because the counterparties are banks with

The credit risk on cash and cash equivalents is considered limited because the counterparties are banks with acceptable credit-ratings assigned by international credit-ratings agencies.

As at 31 March 2025 the Group held £510,702 (31 March 2024: £291,475) with Butterfield Bank (Guernsey) Limited, which has a Standard & Poor's rating of BBB+ (31 March 2024: BBB+), and €97,538 (£81,683) (31 March 2024: €426,292 (£364,632)) with Banco di Desio e della Brianza S.p.A with a Fitch rating of BBB- (31 March 2024: BB+).

Property Trust Luxembourg 2 S.à r.l., held £1,662 (31 March 2024: £1,230) in a current account with Alpha Group International (formerly Alpha FX Group plc) ("Alpha Group"), an Electronic Money Institution authorised and regulated by the UK Financial Conduct Authority. Whilst Alpha Group does not have a credit rating, the underlying funds held in the subsidiary's current account are held with Citibank International Limited, Luxembourg Branch, a subsidiary of Citigroup Inc, which has a Standard & Poor's credit rating of BBB+ (31 March 2024: BBB+).

Cash and cash equivalents, investments held at fair value through profit or loss and trade and other receivables presented in the Consolidated Statement of Financial Position are subject to credit risk with maturities within one year. The Company's maximum credit exposure is limited to the carrying amount of financial assets recognised as at the Consolidated Statement of Financial Position date.

At the reporting date, the carrying amounts of the financial assets, excluding prepayments exposed to credit risk were as follows:

As at 31 March 2025	**Within one year £000s**	**1-3 years £000s**	**Total £000s**
Cash and cash equivalents	594	-	**594**
Trade and other receivables	59	-	**59**
Total	**653**	**-**	**653**

As at 31 March 2024	**Within one year £000s**	**1-3 years £000s**	**Total £000s**
Cash and cash equivalents	657	-	**657**
Total	**657**	**-**	**657**

Liquidity risk

Liquidity risk is the risk that the Group will encounter in realising assets or otherwise raising funds to meet financial commitments in a reasonable time frame or at a reasonable price.

The Group is invested in two asset types, one investment property (20.08% of Net Assets), which is relatively illiquid, and investments held at fair value through profit or loss, which are relatively liquid. The Group prepares forecasts which enables the Group's operating cash flow requirements to be anticipated and ensures that sufficient liquidity is available to meet foreseeable needs and to allow any surplus cash assets to be invested safely and profitably. The Group also monitors the cash position in all subsidiaries to ensure that any working capital requirements are addressed as early as possible. As at 31 March 2025 and 31 March 2024, the Group had no significant financial liabilities other than short-term payables.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. As at the year end, the Group's overall interest rate risk is monitored on a quarterly basis by the Board. As the vast majority of the Group's investments held at fair value through profit or loss are not interest-bearing and are not directly subject to interest rate risk, the exposure to interest rate risk is not significant.

As at 31 March 2025, the Group held one Investment Property representing 20.08% of NAV (31 March 2024: 42.89%). The Company also held various investments, more details of which are set out below. The largest investment exposure was to Smith News Plc, representing 46.79% of NAV (31 March 2024: 33.98%).

The Group pursues a policy of diversifying its risk in accordance with its Investment Policy, which is detailed below. Save for the Curno Asset until such time as it is realised, the Group intends to adhere to the investment restrictions set out therein.

Foreign currency risk

The Group is invested in assets denominated in a currency other than pounds sterling (that is Euros), the Company's functional and presentation currency, and the Consolidated Statement of Financial Position may be significantly affected by movements in the exchange rate of such currencies against pounds sterling. The following table sets out the total exposure to foreign currency risk and the net exposure to foreign currency of the Group's monetary and non-monetary assets and liabilities based on notional amounts.

		Assets £000s	Liabilities £000s	Net exposure £000s
At 31 March 2025	Euro	2,673	(241)	2,432
At 31 March 2024	Euro	6,769	(252)	6,517

Foreign currency risk sensitivity

The following table demonstrates the sensitivity to potential fluctuations in the Euro exchange rate (*ceteris paribus*) of the Group's equity.

		Increase/decrease in exchange rate	Effect on equity and income £000s
At 31 March 2025	Euro	+5%	122
	Euro	-5%	(122)
At 31 March 2024	Euro	+5%	326
	Euro	-5%	(326)

The sensitivity rate of 5% for Euros as at 31 March 2025 (31 March 2024: 5% for Euros) is regarded as reasonable in light of the recent volatility of pounds sterling vs the Euro. Any changes in the foreign exchange rate will directly affect the profit and loss, allocated to the foreign currency reserve of the Consolidated Statement of Changes in Equity.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's activities expose it primarily to the market risks of changes in market prices.

Market price risk

Market price risk arises mainly from the uncertainty about future prices of the financial instruments held by the Group. It represents the potential loss the Group may suffer through holding market positions in the face of price movements.

The Group's investment portfolio is exposed to market price fluctuations, which are monitored by the Investment Advisor in pursuance of the investment objectives and policies.

Market price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equities risks at the reporting date. The 20% reasonably possible price movement for equity-related securities (31 March 2024: 20%) is based on the Investment Advisor's best judgement. The sensitivity rate for equity-related investments of 20% is regarded as reasonable, as in the Investment Advisor's view there is expected to be considerable volatility in equity markets in the coming year.

A 20% increase in the market prices of equity-related investments as at 31 March 2025 would have increased the net assets attributable to shareholders by £1,776,996 (31 March 2024: £1,601,780) and a 20% change in the opposite direction would have decreased the net assets attributable to shareholders by an equal but opposite amount.

Actual trading results may differ from the above sensitivity analysis and these differences could be material.

Fair value

Financial assets at fair value through profit or loss are carried at fair value. Other assets and liabilities are carried at cost which approximates fair value.

IFRS 13 requires the Group to classify a fair value hierarchy which reflects the significance of the inputs used in making the measurements. IFRS 13 establishes a fair value hierarchy which prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are defined below.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs which require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Directors. The Directors consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources which are actively involved in the relevant market.

Assets classified in Level 1 consist of listed or quoted equities or equity-related securities, options and bonds which are issued by corporate issuers, supra-nationals or government organisations.

Assets classified in Level 2 are investments such as funds fair-valued using the official NAV of each fund as reported by each fund's independent administrator at the reporting date. Assets invested in quoted equity-type products in a less active market are classified as level 2 (see note 8). Options and foreign exchange forward contracts are fair valued using publicly available data. Foreign exchange forward contracts would be shown as derivative financial assets and liabilities.

Assets classified in Level 3 consist of investments for which no market exists for trading, for example investments in liquidating or illiquid funds, which would be reported using the latest available official NAV less dividends declared to date of each fund as reported by each fund's independent administrator at the last reporting date. Where a market exists for trading in illiquid funds, these are classified in Level 2.

The Group recognises any transfers between levels of fair value hierarchy as of the end of the reporting period during which the transfer has occurred. Refer to note 8 for details on transfers during the year ended 31 March 2025 and the year ended 31 March 2024.

15. Reserves

(a) Revenue reserves
Revenue reserves arise as a result of the profit or loss created by the Group.

(b) Capital reserves
Capital reserves arose from the cancellation of the share premium account pursuant to the special resolution passed at the EGM on 13 April 2005 and approved by the Royal Court of Guernsey on 24 June 2005.

(c) Foreign currency reserves
Foreign currency reserves arise as a result of the translation of the Financial Statements of foreign operations,

the functional and presentation currency of which is not pounds sterling.

Under the Companies (Guernsey) Law, 2008, there is no restriction on the type of reserves from which distributions can be made provided the Company is solvent.

16. Related party transactions

The Directors are responsible for the determination of the Company's investment objective and policy and have overall responsibility for the Group's activities including the review of investment activity and performance.

Mr Nixon, a Director of the Company, is also Founding Partner and a Designated Member of Worsley Associates LLP. The total charge to the Consolidated Statement of Comprehensive Income during the year in respect of Investment Advisor fees to Worsley Associates was £197,328 (31 March 2024: £187,057) of which £18,687 (31 March 2024: £18,825) remained payable at the year end.

The fees and expenses payable to the Investment Advisor are explained in note 3.

Upon appointment of Worsley Associates as Investment Advisor (31 May 2019), Mr Nixon waived his future Director's fee for so long as he is a member of the Investment Advisor.

As at 31 March 2025, Mr Nixon held 29.99% of the shares in the Company (31 March 2024: 29.88%).

As at 31 March 2025, Mr Scott held 2.96% of the shares in the Company (31 March 2024: 2.77%).

The aggregate remuneration and benefits in kind of the Directors and directors of the Company's subsidiaries in respect of the year ended 31 March 2025 amounted to £45,830 (31 March 2024: £46,103) in respect of the Group of which £35,000 (31 March 2024: £35,000) was in respect of the Company. Please refer to the above for further details on the Directors' fees.

17. Commitments and contingent liability

As at 31 March 2025 the Company had no commitments.

18. Segmental analysis

As at 31 March 2025, the Group has two segments (31 March 2024: two). The following summary describes the operations in each of the Group's reportable segments for the current year:

Property Group	Management of the Group's property asset.
Parent Company	Parent Company, which holds listed equity investments

Information regarding the results of each reportable segment is shown below. Performance is measured based on segment profit/(loss) for the year, as included in the internal management reports that are reviewed by the Board, which is the Chief Operating Decision Maker ("CODM"). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other comparable operators.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2.

	Continuing Operations		
31 March 2025	**Property Group**	**Parent Company**	**Total**
	£000	**£000**	**£000**
External revenue			
Rental income	699	-	699
Property income write-off	(44)	-	(44)
Property operating expenses	(162)	-	(162)
Unrealised loss on investment property	(3,197)	-	(3,197)
Lease incentive write-off	(568)	-	(568)
Net gain on investments at fair value through	-	1,240	1,240

profit or loss			
Total segment revenue	**(3,272)**	**1,240**	**(2,032)**
Expenses			
General and administrative expenses	(223)	(466)	(689)
Total operating expenses	**(223)**	**(466)**	**(689)**
(Loss)/profit before tax	**(3,495)**	**774**	**(2,721)**
Income tax charge	(89)	-	(89)
Deferred tax credit	-	-	-
(Loss)/profit after tax	**(3,584)**	**774**	**(2,810)**
(Loss)/profit for the year	**(3,584)**	**774**	**(2,810)**
Total assets	**2,557**	**9,473**	**12,030**
Total liabilities	**(241)**	**(108)**	**(349)**

	Continuing Operations		
31 March 2024	**Property Group**	**Parent Company**	**Total**
	£000	**£000**	**£000**
External revenue			
Rental income	823	-	823
Property operating expenses	(150)	-	(150)
Unrealised loss on investment property	(211)	-	(211)
Net gain on investments at fair value through profit or loss	-	183	183
Total segment revenue	**462**	**183**	**645**
Expenses			
General and administrative expenses	(143)	(430)	(573)
Total operating expenses	**(143)**	**(430)**	**(573)**
(Loss)/profit before tax	**319**	**(247)**	**72**
Income tax charge	(117)	-	(117)
Deferred tax credit	75	-	75
(Loss)/profit after tax	**277**	**(247)**	**30**
(Loss)/profit for the year	**277**	**(247)**	**30**

	Continuing Operations		
31 March 2024	**Property Group**	**Parent Company**	**Total**
	£000	**£000**	**£000**
Total assets	**6,769**	**8,319**	**15,088**
Total liabilities	**234**	**193**	**427**

(b) Geographical information

The Company is domiciled in Guernsey. The Group has subsidiaries incorporated in Europe.

The Group's revenue from external customers from continuing operations and information about its segment non-current assets by geographical location (of the country of incorporation of the entity earning revenue or holding the asset) are detailed below:

	Revenue from External Customers	**Non-Current Assets**
	31 March 2025	**31 March 2025**
	£000	**£000**
Europe	**699**	**2,345**

	Revenue from External Customers	**Non-Current Assets**
	31 March 2024	**31 March 2024**
	£000	**£000**

Europe	**823**	**6,231**

19. Net asset value reconciliation

Adjustments were made to the Company's net asset value ("NAV") following the publication to LSE on 9 June. This following reconciliation shows the adjustments made between the Financial Reporting NAV and the published NAV:

	31 March 2025		31 March 2024	
	NAV per share (pence)	**£000**	**NAV per share (pence)**	**£000**
Published NAV per LSE	**40.08**	**13,523**	**43.45**	**14,661**
Difference between Directors' non-IFRS valuation and IFRS Fair Value	5.46	1,842	-	-
Financial reporting NAV	**34.62**	**11,681**	**43.45**	**14,661**

For the purposes of the previously published unaudited Net Asset Value (NAV), the Directors adopted a valuation of the property on a non-IFRS fair value basis. This approach reflected the Directors' internal assessment, which incorporated commercial assumptions regarding the future performance and prospects of the property.

In contrast, the valuation adopted in these Financial Statements is prepared on an IFRS fair value basis, in accordance with IFRS, and has been determined by the independent external valuer, as detailed in notes 2(d) and 7. The difference between the two valuations arises from differing assumptions, with the valuation adopted in the RNS announcement reflecting a more favourable outlook compared to the more conservative assumptions applied by the external valuer.

The Directors acknowledge the importance of consistency with accounting standards and transparency for financial reporting purposes. Accordingly, the fair value determined by the independent external valuer has been adopted in these Financial Statements as the appropriate and reliable measure of the property's value in accordance with IFRS for the purposes of these Financial Statements.

20. Subsequent events

On 31 March 2025, the Company entered into a new lease agreement with Notorious (see note 4 for further details), an Italian company, for it to operate the cinema complex. Notorious is a wholly owned subsidiary of Notorious Pictures S.p.A., an Italian company, whose shares are listed on the Euronext Growth Milan market, and which through its group of companies is an international movie producer and distributor and one of Italy's leading cinema operators. The effective date of the lease agreement is 3 April 2025.

There were no other post year end events which require disclosure in these Financial Statement.s

Investment Objective and Policy

Investment Objective

The Company's investment objective is to provide shareholders with an attractive level of absolute long-term return, principally through the capital appreciation and exit of undervalued securities. The existing real estate asset of the Company will be realised in an orderly manner, that is with a view to optimising the disposal value of such asset.

Investment Policy

The Company aims to meet its objectives through investment primarily, although not exclusively, in a diversified portfolio of securities and related instruments of companies listed or admitted to trading on a stock market in the British Isles (defined as (i) the United Kingdom of Great Britain and Northern Ireland; (ii) the Republic of Ireland; (iii) the Bailiwicks of Guernsey and Jersey; and (iv) the Isle of Man). The majority of such companies will also be domiciled in the British Isles. Most of these companies will have smaller to mid-sized equity market capitalisations (the definition of which may vary from market to market but will in general not exceed £600 million). It is intended to secure influential positions in such British quoted securities with the deployment of activism as required to achieve the desired results.

The Company, Property Trust Luxembourg 2 SARL and Multiplex 1 SRL ("the Group") may make investments in listed and unlisted equity and equity-related securities such as convertible bonds, options and warrants. The Group may also use derivatives, which may be exchange traded or over the counter.

The Group may also invest in cash or other instruments including but not limited to: short, medium or long term bank deposits in pounds sterling and other currencies, certificates of deposit and the full range of money market instruments; fixed and floating rate debt securities issued by any corporate entity, national government, government agency, central bank, supranational entity or mutual society; futures and forward contracts in relation to any other security or instrument in which the Group may invest; put and call options (however, the Group will not write uncovered call options); covered short sales of securities and other contracts which have the effect of giving the Group exposure to a covered short position in a security; and securities on a when-issued basis or a forward commitment basis.

The Group pursues a policy of diversifying its risk. Save for the Curno Asset until such time as it is realised, the Group intends to adhere to the following investment restrictions:

- not more than 30 per cent. of the Gross Asset Value at the time of investment will be invested in the securities of a single issuer (such restriction does not, however, apply to investment of cash held for working capital purposes and, pending investment or distribution, in near cash equivalent instruments, including securities issued or guaranteed by a government, government agency or instrumentality of any EU or OECD Member State or by any supranational authority of which one or more EU or OECD Member States are members);

- the value of the four largest investments at the time of investment will not constitute more than 75 per cent of Gross Asset Value;

- the value of the Group's exposure to securities not listed or admitted to trading on any stock market will not exceed in aggregate 35 per cent. of the Net Asset Value;

- the Group may make further direct investments in real estate but only to the extent such investments will preserve and/or enhance the disposal value of its existing real estate asset. Such investments are not expected to be material in relation to the portfolio as a whole, but in any event will be less than 25 per cent. of the Gross Asset Value at the time of investment. This shall not preclude Property Trust Luxembourg 2 SARL and Multiplex 1 SRL (the "Subsidiaries") from making such investments for operational purposes;

- the Company will not invest directly in physical commodities, but this shall not preclude its Subsidiaries from making such investments for operational purposes;

- investment in the securities, units and/or interests of other collective investment vehicles will be permitted up to 40 per cent. of the Gross Asset Value, including collective investment schemes managed or advised by the Investment Advisor or any company within the Group; and

- the Company must not invest more than 10 per cent. of its Gross Asset Value in other listed investment companies or listed investment trusts, save where such investment companies or investment trusts have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed investment companies or listed investment trusts.

The percentage limits above apply to an investment at the time it is made. Where, owing to appreciation or depreciation, changes in exchange rates or by reason of the receipt of rights, bonuses, benefits in the nature of capital or by reason of any other action affecting every holder of that investment, any limit is breached by more than 10 per cent., the Investment Advisor will, unless otherwise directed by the Board, ensure that corrective action is taken as soon as practicable.

Borrowing and Leverage

The Group may engage in borrowing (including stock borrowing), use of financial derivative instruments or other forms of leverage provided that the aggregate principal amount of all borrowings shall at no point exceed 50 per cent. of Net Asset Value. Where the Group borrows, it may, in order to secure such borrowing, provide collateral or security over its assets, or pledge or charge such assets.

Corporate Information

Directors (All non-executive)
W. Scott (Chairman)
R. H. Burke
B. A. Nixon

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Administrator and Secretary
Apex Fund and Corporate Services (Guernsey) Limited
*(formerly Sanne Fund Services (Guernsey) Limited)**
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Registration Number
43007

*Effective 31 January 2025, the Company's appointed Administrator, Sanne Fund Services (Guernsey) Limited completed an amalgamation of corporate bodies pursuant to Part VI of the Companies (Guernsey) Law, 2008 with Apex Fund and Corporate Services (Guernsey) Limited (the "Amalgamation"). As a result of the Amalgamation, the name of the Administrator changed to Apex Fund and Corporate Services (Guernsey) Limited. There are no further material changes arising from the Amalgamation and all pre-existing contractual arrangements in place between the Company and the Administrator remain in force.

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