RNS Number : 1783J
Palace Capital PLC
27 November 2025

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Palace Capital plc
("Palace Capital" or the "Company")

Interim Results for the six months ended 30 September 2025

DELIVERING ON OUR STRATEGY TO RETURN CAPITAL TO SHAREHOLDERS

Palace Capital (LSE: PCA) announces its unaudited results for the six months ended 30 September 2025.

Steven Owen, Executive Chairman, commented:

"During the first half of this financial year, we made further progress on our strategy to return capital to shareholders through the disposal of HQ Office, York, for a gross price of £10.0 million and returning cash of £20.8 million by way of a successful, oversubscribed tender offer in September 2025. Since the updated strategy of the Company was announced in July 2022, we have sold over £160 million of assets, repaid all bank debt and returned over £64 million of cash to shareholders. Dividends paid to shareholders since July 2022 total approximately £18.7 million.

"The Company now has only five investment properties remaining, which were valued at £41.3 million as at 30 September 2025. One of these assets (Halifax) is under offer, another (Leamington Spa) is expected to go under offer shortly and a third asset (Exeter) has recently been marketed for sale. The remaining two (Northampton and Newcastle) require the completion of ongoing asset management activities, including material capital expenditure at Newcastle, in order to appeal to potential purchasers. In addition, there were nine apartments remaining at Hudson Quarter in York, together with a ground rent freehold interest, valued at £4.2 million as at 30 September 2025.

"The success of our disposal strategy since July 2022 means that the Company is debt free and has an unencumbered portfolio, which enables both flexibility and optionality over the timing of its disposal programme. Assuming that the properties currently under offer are sold, it is anticipated that the Company will return further cash to shareholders through another tender offer in the first quarter of 2026."

Income statement metrics	**Six months to 30 Sept 2025**	**Six months to 30 Sept 2024**	**Change**
Adjusted profit before tax	£1.1m	£2.1m	(47.6%)
Adjusted earnings per share	3.9p	6.1p	(36.1%)
IFRS profit/(loss) before tax	£0.3m	(£0.9m)	
Basic earnings per share	1.0p	(2.8p)	
Dividends			
Dividends per share	7.5p	7.5p	
Balance Sheet and operational metrics	**30 Sept 2025**	**31 March 2025**	**Change**
EPRA NTA per share	244p	251p	(2.8%)
Cash returned to shareholders (including costs)	(£21.2m)	(£22.1m)	
Net asset value	£49.4m	£72.5m	(31.9%)
Like-for-like portfolio valuation increase/ (decrease)	0.8%	(5.9%)	
Total accounting return	0.2%	1.5%	
Total shareholder return	6.8%	0.4%	
Cash	£4.6m	£22.2m	

Financial highlights

- Adjusted profit before tax of £1.1 million (September 2024: £2.1 million) reflecting the reduction in income following disposals offset in part by the significant reduction in recurring administrative expenses and finance costs.
- IFRS profit before tax for the period of £0.3 million (September 2024: £0.9 million loss) primarily due to the valuation surplus of £0.3 million and the profit on property disposals of £0.3 million offset by EPRA earnings of (£0.2m).
- Adjusted EPS of 3.9 pence (September 2024: 6.1 pence), a decrease of 36.1%, reflecting the movement in adjusted profit before tax but partly mitigated by the accretive tender offer.
- Dividends paid of 7.5 pence per share (September 2024: 7.5 pence). The Board declares a Q2 2026 interim dividend of 3.75p per share payable on 30 January 2026, to shareholders on the register at 19 December 2026.
- Cash returned to shareholders of £21.2 million (including costs) by way of a successful tender offer completed in September 2025, a 3.0 pence per share accretion to EPRA NTA offset by the denominator effect of the reduced number of shares equating to 3.6 pence per share.
- EPRA NTA per share decreased by 2.8% to 244 pence (March 2025: 251 pence) principally due to the exceptional, non-recurring costs of closing the STIP and staff redundancies equivalent to 4.8 pence per share and the payment of uncovered dividends equating to 2.7 pence per share.
- Total property portfolio valuation increased by 0.8% on a like-for-like basis, principally due to the valuation increase of the leisure assets offset by the decline of the office at St James's Gate, Newcastle.
- Cash of £4.6 million (March 2025: £22.2 million) as at 30 September 2025; £3.5 million as at 26 November 2025.
- Recurring administrative expenses reduced by £0.3 million compared with HY25. Other, ongoing cost reduction measures when fully implemented expected to result in annualised administrative expenses of c.£0.7 million from the first quarter of 2026. As part of this process, the Board is also reviewing its composition.
- FY26 year end extended by six months to 30 September 2026 to provide strategic flexibility and optionality and facilitate further administrative cost reductions.

Operational highlights

- Sale of HQ Office, York, for a gross price of £10.0 million, which, after adjusting for rent top ups, was 2.8% ahead of the 31 March 2025 book value. Sale of one apartment at Hudson Quarter, York for £0.4 million. There are nine units remaining.
- Post 30 September 2025, three properties at Halifax, Leamington Spa and Exeter were marketed for sale.
  Halifax is currently under offer, Leamington Spa is expected to go under offer shortly and Exeter has recently been marketed for sale. Also post period end, a small unit at 3A St James's Gate, Newcastle has gone under offer for £0.6 million.
- At 2 St James's Gate, Newcastle, a £1.3 million contract has been placed for the comprehensive refurbishment of two vacant floors in order to materially improve the EPC rating, create Grade A refurbished space and significantly increase both quoting rents and letting prospects.
- Rent collection for the first half of the financial year was 96% (March 2025: 99%).

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Cautionary Statement

This announcement does not constitute an offer of securities by the Company. Nothing in this announcement is intended to be, or intended to be construed as, a profit forecast or a guide as to the performance, financial or otherwise, of the Company or the Group whether in the current or any future financial year. This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. They may appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the directors, the Company or the Group concerning, amongst other things, the operating results, financial condition, prospects, growth, strategies and dividend policy of the Group or the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company's ability to control or predict. Forward-looking statements are not guarantees of future performance. The Group's actual operating results, financial condition, dividend policy or the development of the industry in which it operates may differ materially from the impression condition, dividend policy or the development of the industry in which it operates may differ materially from the impression created by the forward-looking statements contained in this announcement. In addition, even if the operating results, financial condition and dividend policy of the Group, or the development of the industry in which it operates, are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to, general economic and business conditions, industry trends, competition, changes in government and other regulation, changes in political and economic stability and changes in business strategy or development plans and other risks.

Other than in accordance with its legal or regulatory obligations, the Company does not accept any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

EXECUTIVE CHAIRMAN'S STATEMENT

Update on delivery of strategic objectives

During the first half of this financial year, we made further progress on our strategy to return capital to shareholders through the disposal of HQ Office, York, for a gross price of £10.0 million and returning cash of £20.8 million by way of a successful, oversubscribed tender offer in September 2025, which contributed an additional 3.0 pence to EPRA NTA. Since the Company's updated strategy was announced in July 2022, we have sold over £160 million of assets, repaid all bank debt and returned over £64 million of cash to shareholders. Dividends paid to shareholders since July 2022 total approximately £18.7 million.

The Company has been debt free with the portfolio entirely unencumbered since 31 March 2025 and currently has cash of £3.5 million, compared with £22.2 million as at 31 March 2025.

In our Preliminary Results announced in June 2025, we reported that conditions in the investment market for certain types of assets, particularly leisure assets, were such that, in the Board's view, the sale of these assets should be deferred until market demand and pricing improved but that we expected market conditions to improve later this year assuming that financial markets were less volatile than at that time. Market conditions have improved in recent months with the result that of the five investment properties remaining, which were valued at £41.3 million as at 30 September 2025, three have been marketed for sale since the end of the half year period. One of these assets (Halifax) is currently under offer, another (Leamington Spa) is expected to go under offer shortly and a third asset (Exeter) has recently been marketed for sale. The remaining two (Northampton and Newcastle) require the completion of ongoing asset management activities, including material capital expenditure at Newcastle, in order to be ready for sale. Post period end an offer was received for £0.6 million for the sale of a small unit at 3A St James's Gate, Newcastle with completion expected in the first quarter of 2026. In addition, there were nine apartments remaining at Hudson Quarter in York, together with a ground rent freehold interest, valued at £4.2 million as at 30 September 2025. A full update on progress made, together with the current position is set out in the Operational Review.

Palace Capital continues to reduce its level of administrative expenses in line with its strategy with a reduction of £0.3 million in recurring administrative expenses in the half year ended 30 September 2025 compared with the corresponding period in 2024. There was a reduction in headcount from six to three executives from 1 July 2025. Other, ongoing cost reduction measures when fully implemented are expected to result in annualised administrative expenses of c.£0.7 million from the first quarter of 2026. As part of this process, the Board is also reviewing its composition. The Company has also extended its financial year end by six months to 30 September 2026 from 31 March 2026 in order to provide strategic flexibility and optionality and facilitate further administrative cost reductions.

Outlook

We reported in the preliminary results in June 2025 that we expected market conditions for certain types of assets, particularly leisure assets, to improve later this year assuming that financial markets would be less volatile than in June. The reductions in base rates during this year together with improving investor confidence and the availability of debt finance, particularly in relation to leisure assets, enabled us to market our property in Halifax for sale in October and it is now under offer with completion expected in the first quarter of 2026. It is also anticipated that the sale of Unit 3A St James's Gate, Newcastle, will complete during the first quarter of 2026 and that of Leamington Spa which is expected to go under offer shortly

At an operational level, the Company continues to make good progress with its asset management activities to enable the two remaining properties to be ready for sale as set out in the Operational Review.

The success of our disposal strategy since July 2022 means that the Company is debt free with an unencumbered portfolio, providing both flexibility and optionality over the timing of its disposal programme. Assuming that the properties currently under offer are sold, it is anticipated that the Company will return further cash to shareholders through another tender offer in the first quarter of 2026.

Steven Owen
Executive Chairman

26 November 2025

OPERATIONAL REVIEW

Portfolio overview

As at 30 September 2025, the portfolio comprised six properties (March 2025: 7) comprising by value 43% office, 48% leisure and 9% residential, which were independently valued by CBRE at £45.5 million, reflecting an increase in value of 0.8% or £0.4 million on a like-for-like basis compared with the valuation as at 31 March 2025.

The value of the three office assets fell by 5.6% or £1.2 million, with the 8% fall in the value of St James's Gate, Newcastle accounting for c.75% of the office portfolio valuation deficit. The decline was driven by a combination of softening yields and a provision for material capital expenditure at St James's Gate outlined under Asset Management

Management.

The two leisure assets increased by 8.4% or £1.5 million mainly due to the release of the contingency relating to a review of the fabric of the building and a comprehensive fire strategy review at Northampton and the letting of the space formerly occupied by TGI Friday's to an F&B operator at Halifax.

The value of the residential properties at Hudson Quarter, York was unchanged.

Asset management

During the period, two units were let, including the space formerly occupied by TGI Friday's to an F&B operator, at Broad Street Plaza, Halifax, increasing the occupancy rate by income to 97% and the overall net income from the property through the associated reduction in non-recoverable property costs.

In October 2025, terms were agreed to let the space to be vacated on expiry by Ubisoft at Leamington Spa in December 2025 to a computer gaming company for a 10 year term with a five year break at a rent of £22psf, which is 16% higher than the passing rent. The lease was completed earlier this month and the tenant has taken occupation.

In July 2025 the comprehensive refurbishment of the Vue cinema at Sol, Northampton, was completed. As previously reported, the Company made a significant capital contribution towards these works in return for a regear of the Vue lease to bring the total term to 20 years, expiring in 2044, with a material increase in rent and five-yearly upward only rent reviews linked to RPI with a cap and collar structure.

At Exeter, significant progress has been made with tenants to achieve a vacant possession block date within the next year; three tenants remain in occupation and we expect two of those to have vacated by February 2026.

At St James's Gate, Newcastle, a £1.3 million contract has been placed for the comprehensive refurbishment of two vacant floors in order to materially improve the EPC rating and create Grade A refurbished space. This project is key to the property's letting prospects given that office demand in Newcastle is principally focused on high quality, refurbished buildings with strong ESG credentials such as an EPC rating of B or better. Rents, as well as demand, for such space are also materially greater than for unrefurbished space. The refurbishment is expected to be completed by the end of the first quarter of 2026 and on completion the whole building will have an EPC B rating.

Disposal and asset management strategy post HY26

The portfolio currently consists of five investment properties and one residential property, together with a ground rent freehold interest, in York.

As at 30 September 2025 there were nine apartments, together with the ground rent freehold interest, remaining for sale at Hudson Quarter, York, valued at £4.2 million. Market conditions for the sale of the apartments have remained difficult following the Budget in October 2024 and leading up to the Budget of November 2025. It remains to be seen if there will be increased activity in 2026 given the low levels of confidence in the residential market.

The strategy for the remaining five investment properties, which had a value of £41.3 million as at 30 September 2025, is as follows:

Broad Street Plaza, Halifax

This property was marketed for sale in October 2025 and is currently under offer with completion expected in the first quarter of 2026.

Sol, Northampton

As noted above, the completion of the Vue lease regear was transformational for this property in extending the core WAULT which was 12.9 years on expiry (12.6 years to break) and the occupancy rate 95% as at September 2025.

The completion of the refurbishment of the Vue cinema and the release in the valuation of the contingency relating to a review of the fabric of the building and a comprehensive fire strategy review increased the valuation as at September 2025 to £12.8 million (March 2025: £9.7 million) resulting in a NIY of 11.4% and EY of 12.7%. The Company is currently implementing the key recommendations of the fire strategy review as this work is an essential part of the process in preparing the property for sale. The appropriate timing for disposal is unlikely to be before the end of the first quarter of 2026 subject to market conditions at that time, as there are other asset management initiatives to be completed,

As demonstrated with the proposed sale of Halifax, the investment market for leisure assets has improved since the Company announced its preliminary results in June 2025 with increased transactional evidence from a larger pool of buyers together with the resumption of the availability of debt finance for assets with cinema operator tenants following a market reappraisal of such covenants.

St James' Gate, Newcastle

The office market in Newcastle has improved since the Summer resulting in a reduction in the supply of high grade refurbished office buildings which have attracted the most occupier demand. Flight to quality and high ESG credentials (EPC B or better) are increasingly critical with occupiers placing significant value on sustainability and wellbeing. This emphasis is continuing to drive demand towards buildings that align with these priorities, particularly for fitted office space where the escalating costs of fit out and the increasing difficulty occupiers face in securing capital for such works has resulted in some occupiers requesting landlords to deliver fitted out space in return for higher rent. By contrast, the obsolescence of older buildings that no longer meet occupier expectations is becoming more pronounced evidenced by the little demand in Newcastle for unrefurbished space with poor EPC ratings.

Consequently, it was decided to proceed with a Grade A refurbishment of the two vacant whole floors at 2 St James' Gate at a cost of £1.3 million as noted under Asset Management. This project is critical to letting prospects and as reported in June 2025 further lettings of the vacant space are required in order to increase the occupancy from 61% as at September 2025 and extend the WAULT prior to the asset being ready for sale. It is pleasing to note that occupancy has increased under the management agreement with Orega and this trend will need to be further established before a sale can be contemplated which in our view is unlikely before the second quarter of 2026.

Unit 3A is currently under offer for £0.6 million following the recent works to strip back to 'shell and core' and it is expected that Unit 3C will be put on the market in December 2025.

The September 2025 valuation of 2 St James' Gate was £9.2 million which reflects the capital expenditure required on the vacant floors and a softening in office yields resulting in NIY of 6.6%, EY of 13.0%. The WAULT to expiry was 5.8 years (2.7 years to break).

Imperial Court and House, Leamington Spa

It was reported in the Preliminary Announcement in June 2025 that the property was under offer but the sale did not progress. It was marketed for sale in in October 2025 and is expected to go under offer shortly with completion anticipated during the first quarter of 2026.

The Forum, Exeter

We have actively explored a change of use for this 1970s office building to one that we believe will realise more value on sale. As part of this strategy, significant progress has been made with tenants to achieve a vacant possession block date within the next year and three tenants remain in occupation.

Following a successful pre-application meeting with Exeter City Council the property was marketed for sale earlier this month.

Summary

Since the change of strategy announcement on 19 July 2022, investment property disposals have generated proceeds of £145.6 million at a 16.3% reduction to the March 2022 valuation (which was the peak of the current property cycle) or 4.4% ahead when compared with the relevant March valuation prior to sale.

FINANCIAL REVIEW

The Group's adjusted profit before tax decreased to £1.1 million (September 2024: £2.1 million) as a result of income lost through disposals but offset in part by the significant reduction in recurring administrative expenditure and finance costs. EPRA NTA per share decreased by 2.8% to 244 pence (March 2025: 251 pence) principally due to the exceptional, non-recurring costs of closing the STIP and staff redundancies equivalent to 4.7 pence per share.

The summary of the Company's financial results is as follows:

Income Statement Summary

Income Statement	**30 Sept 2025**	**30 Sept 2024**
Gross property income	£2.4m	£3.8m
Property operating expenses	(£1.1m)	(£0.8m)
Expected Credit Loss provision	-	(£0.3m)
Net rental income	**£1.3m**	**£2.7m**
Recurring administrative expenditure	(£0.7m)	(£1.0m)
Finance income	£0.5m	£0.5m
Finance costs	-	(£0.1m)
Adjusted profit before tax	**£1.1m**	**£2.1m**
Tax	-	-
Adjusted profit after tax	**£1.1m**	**£2.1m**
Payments to former staff (including associated costs)	(£0.3m)	-
Short term incentive plan charge (including associated costs)	(£1.0m)	(£0.3m)
Payments to former Directors (including associated costs)	-	(£0.1m)
EPRA earnings	**(£0.2m)**	**£1.7m**
Profit/(loss) on revaluations	£0.3m	(£3.2m)
Trading profit	-	£0.1m
Profit on disposal of investment properties	£0.2m	£0.5m
IFRS profit/(loss) after tax	**£0.3m**	**(£0.9m)**

Net rental income in the period reduced to £2.4 million (September 2024: £3.8 million) due to income lost through disposals.

The Group's recurring administrative expenditure reduced by £0.3 million or 30% to £0.7 million (September 2024: £1.0 million) following the ongoing progress made in reducing administrative costs.

During the period, our active cash management enabled us to receive £0.5 million in interest income (2024: £0.5 million) notwithstanding the reduction in interest rates during 2025.

EPRA NTA Movement

EPRA NTA decreased by 7.0 pence per share or 2.8% to 244 pence (March 2025: 251 pence) during the period principally due to the exceptional, non-recurring costs of closing the STIP and staff redundancies equivalent to 4.7 pence per share and the overdistribution of dividends equating to 2.7 pence per share. The accretion to NAV of 3.0p per share from the £20.2 million tender offer (£21.2 million including costs) in September 2025 was offset by the denominator effect equating to 3.6 pence per share of the reduced number of shares at the period end.

	£m	**No. of shares (diluted)**	**Pence per share**

EPRA NTA at 31 March 2025	**72.5**	**28,892,535**	**251.0p**
Tender offer (including costs)	(21.2)	(8,667,760)	3.0p
EPRA NTA after tender offer	**51.3**	**20,224,775**	**254.0p**
Profit on sale of investment properties	0.3		0.9p
Adjusted earnings before tax	1.1		3.9p
Gain on revaluation of investment property	0.4		1.3p
Cash dividends paid	(2.2)		(7.5p)
Fair value adj. of trading properties	(0.1)		(0.2p)
Payments to former staff (including associated costs)	(0.3)		(1.1p)
Short term incentive plan charge (including associated costs)	(1.0)		(3.7p)
Other movements*	(0.0)		(3.6p)
EPRA NTA at 30 September 2025	**49.5**	**20,224,775**	**244.0p**

**Other movements relate to the denominator effect of the reduced number of shares at period end compared with the weighted average for the period and the effect of rounding.*

Financing

The Group repaid its remaining debt during the year ended 31 March 2025 and therefore is now entirely debt free and all assets are unencumbered (September 2024: gross debt £8.2 million).

At 30 September 2025 the Group had cash of £4.6 million (March 2025: £22.2 million).

STATEMENT OF PRINCIPAL RISKS

We consider there has been no material changes to the Company's principal risks, as set out in the Annual Report and Accounts for the year ended 31 March 2025 and summarised below.

MARKET CYCLE ECONOMIC AND POLITICAL

Risk description

Failure to react appropriately to changing market conditions and adapt our corporate strategy could negatively impact shareholder returns. A downturn in the market could reduce the appetite in the investment market, leading to lower valuations and affecting our disposal strategy and ability to return capital to shareholders.

Uncertainty in the UK economic landscape, global supply chain issues, inflation and interest rates brings risks to the property market, supply chains and to occupiers' businesses. This can significantly impact market sentiment and our ability to extract value from our properties resulting in lower shareholder returns, reduced liquidity and increased occupier failure.

CAPITAL STRUCTURE AND LIQUIDITY

Risk description

An inappropriate level of gearing or failure to comply with debt covenants or manage re-financing events could put pressure on cash resources and lead to a funding shortfall for operational activities.

Increasing costs of borrowing and increasing interest rates could affect the Group's ability to borrow or reduce its ability to repay its debts

PORTFOLIO STRATEGY

Risk description

An inappropriate investment strategy that is not aligned to overall corporate purpose objectives, economic conditions, or tenant demand may result in lower investment returns.

ASSET MANAGEMENT

Risk description

Failure to implement asset business plans and elevated risks associated with refurbishment could lead to longer void periods, higher arrears and overall investment performance, adversely impacting returns and cashflows.

VALUATION

Risk description

Decreasing capital and rental values could impact the Group's portfolio valuation leading to lower returns. Higher cost of debt can lead to property yields to be pushed out and valuations to fall as a result. Increasing gilt yields, can leave property investment less attractive unless the desired return can be achieved.

TENANT DEMAND AND DEFAULT

Risk description

Failure to adapt to changing occupier demands and/or poor tenant covenants may result in us losing significant tenants, which could materially impact income, capital values and profit. Rising inflation, interest rates and living costs could impact tenant businesses, such as the leisure industry, as demand falls for discretionary spending.

BUSINESS CONTINUITY AND CYBER SECURITY

Risk description

Business disruption as a result of physical damage to buildings, Government policy and measures implemented in response to pandemics, cyber attacks or other operational or IT failures or unforeseen events may impact income and profits.

PEOPLE

Risk description

An inability to attract or retain staff with the right skills and experience may result in significant underperformance or impact the overall effectiveness of our operations. Health and Safety of staff and others including tenants both physically and mentally and providing a safe and healthy environment in our properties is of utmost importance. Failure to do so

CLIMATE CHANGE

Risk description

Longer term failure to anticipate and prepare for transition and physical risks associated with climate change including increasing policy and compliance risks associated with existing and emerging environmental legislation could lead to increased costs and the Group's assets becoming obsolete or unable to attract could lead to staff and tenant ill health, litigation and regulatory issues, negative media and market sentiment against the Company.

occupiers or purchasers.

REGULATORY AND TAX

Risk description
Non-compliance with the legal and regulatory requirements of a public real estate company, including the REIT regime, could result in convictions or fines and negatively impact reputation.

Statement of Directors' Responsibilities

The Directors confirm that the condensed set of consolidated financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The Directors of Palace Capital plc are listed on the Company website www.palacecapitalplc.com

By order of the Board

The CoSec Coach Limited

Company Secretary

26 November 2025

Palace Capital plc

Condensed consolidated statement of comprehensive income

For the six months ended 30 September 2025

	Notes	**Unaudited 6 months to 30 September 2025 £000**	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Revenue	3	**4,047**	8,117	13,245
Cost of sales		**(2,740)**	(5,030)	(7,868)
	4			
Movement in expected credit loss		**-**	(255)	(353)
Net property income		**1,307**	2,832	5,024
Administrative expenses		**(2,063)**	(1,389)	(2,889)
Operating (loss)/profit before gains and losses on property assets		**(756)**	1,443	2,135
Profit on disposal of investment properties		**255**	500	1,502
Gain/(loss) on revaluation of investment properties	9	**358**	(3,241)	(2,868)
Impairment of trading properties		**(66)**	-	(61)
Operating (loss)/profit		**(209)**	(1,298)	708
Finance income		**489**	488	850
Finance expense		**-**	(135)	(126)
Debt termination costs		**(5)**	-	(35)
Profit/(loss) before taxation		**275**	(945)	1,397
Taxation	5	**-**	-	25
Profit/(loss) after taxation for the period and total comprehensive profit/(loss) attributable to owners of the Parent		**275**	(945)	1,422

Earnings per ordinary share

Earnings per ordinary share				
Basic	6	**1.0p**	(2.8p)	4.5p
Diluted	6	**1.0p**	(2.8p)	4.5p

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Palace Capital plc

Condensed consolidated statement of financial position

For the six months ended 30 September 2025

	Notes	**Unaudited 30 September 2025 £000**	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Non-current assets				
Investment properties	9	**33,799**	48,889	33,363
Right of use asset		**-**	10	-
Trade and other receivables	11	**7,112**	5,573	5,021
		40,911	54,472	38,384
Current assets				
Assets held for sale	9	**-**	-	9,875
Trading property	10	**3,955**	5,572	4,340
Trade and other receivables	11	**2,676**	3,657	2,201
Cash and cash equivalents	12	**4,645**	21,288	22,222
		11,276	30,517	38,638
Total assets		**52,187**	84,989	77,022
Current liabilities				
Trade and other payables	13	**(2,739)**	(3,711)	(3,277)
Borrowings	14	**-**	(318)	-
Lease liabilities for right of use asset		**-**	(10)	-
Creditors: amounts falling due within one year		**(2,739)**	(4,039)	(3,277)
Net current assets		**8,537**	26,478	35,361
Non-current liabilities				
Borrowings	14	**-**	(7,788)	-
Short term incentive plan provision		**-**	(830)	(1,209)
Deferred tax liability		**(31)**	(57)	(32)
Net Assets		**49,417**	72,275	72,504
Equity				
Called up share capital	15	**2,022**	2,889	2,889
Merger reserve		**3,503**	3,503	3,503
Capital redemption reserve		**2,957**	2,090	2,090
Capital reduction reserve		**39,820**	65,348	63,182
Retained earnings/(accumulated losses)		**1,115**	(1,555)	840
Equity shareholders' funds		**49,417**	72,275	72,504
Basic NAV per ordinary share	7	**244p**	250p	251p
Diluted NAV per ordinary share	7	**244p**	250p	251p
EPRA NTA per ordinary share	7	**244p**	252p	251p

The accompanying notes form an integral part of these condensed consolidated interim financial statements.
The condensed consolidated interim financial statements were approved by the Board of Directors on 26 November 2025.

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Palace Capital plc

Condensed consolidated statement of changes in equity

For the six months ended 30 September 2025

	Share Capital £000	Treasury Shares Reserve £000	Other Reserves £000	Capital Reduction Reserve £000	(Accumulated Losses)/ Retained Earnings £000	Total equity £000
As at 31 March 2024	3,756	-	4,726	89,931	(639)	97,774
Total comprehensive loss for the period	-	-	-	-	(945)	(945)
Share based payments	-	-	-	-	29	29
Dividends paid	-	-	-	(2,492)	-	(2,492)
Tender offer	-	(22,091)	-	-	-	(22,091)

Tender offer		(22,091)				(22,091)
Cancellation of treasury shares	(867)	22,091	867	(22,091)	-	-
As at 30 September 2024	2,889	-	5,593	65,348	(1,555)	72,275
Total comprehensive profit for the period	-	-	-	-	2,367	2,367
Share based payments	-	-	-	-	28	28
Dividends paid	-	-	-	(2,166)	-	(2,166)
As at 31 March 2025	2,889	-	5,593	63,182	840	72,504
Total comprehensive profit for the period	**-**	**-**	**-**	**-**	**275**	**275**
Dividends paid	**-**	**-**	**-**	**(2,167)**	**-**	**(2,167)**
Tender offer	**-**	**(21,195)**	**-**	**-**	**-**	**(21,195)**
Cancellation of treasury shares	**(867)**	**21,195**	**867**	**(21,195)**	**-**	**-**
As at 30 September 2025	**2,022**	**-**	**6,460**	**39,820**	**1,115**	**49,417**

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Palace Capital plc

Condensed consolidated statement of cash flows

For the six months ended 30 September 2025

	Notes	**Unaudited 6 months to 30 September 2025 £000**	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Operating activities				
Profit/(loss) before taxation		**275**	(945)	1,397
Finance income		**(489)**	(488)	(850)
Finance expense		**-**	135	126
(Gain)/loss on revaluation of investment property portfolio	9	**(358)**	3,241	2,868
Profit on disposal of investment properties		**(255)**	(500)	(1,502)
Impairment of trading properties		**66**	-	61
Debt termination costs		**5**	-	35
Amortisation of right of use asset		**-**	29	38
Share-based payment		**-**	29	57
(Increase)/decrease in trade and other receivables		**(2,565)**	(785)	500
Decrease in trade and other payables		**(1,749)**	(88)	(149)
Decrease in trading property		**376**	2,554	3,725
Net cash generated from operations		**(4,694)**	3,182	6,306
Interest received		**489**	488	850
Interest and other finances charges paid		**-**	(120)	(102)
Net cash flows from operating activities		**(4,205)**	3,550	7,054
Investing activities				
Capital expenditure on refurbishment of investment property		**150**	(111)	(175)
Proceeds from disposal of investment properties		**9,845**	22,825	30,637
Net cash flow generated from investing activities		**9,995**	22,714	30,462
Financing activities				
Bank loan repaid		**(5)**	(159)	(8,311)
Dividends paid	8	**(2,167)**	(2,492)	(4,658)
Tender offer		**(21,195)**	(22,091)	(22,091)
Net cash flow used in financing activities		**(23,367)**	(24,742)	(35,060)
Net (decrease)/increase in cash		**(17,577)**	1,522	2,456
Opening cash and cash equivalents	12	**22,222**	19,766	19,766
Closing cash and cash equivalents	12	**4,645**	21,288	22,222

Palace Capital plc
Notes to the condensed consolidated financial statements
For the six months ended 30 September 2025

1 General information

These financial statements are for Palace Capital plc ("the Company") and its subsidiary undertakings (together "the Group") (together "the Group").

The Company's shares are admitted to trading on the Main Market of the London Stock Exchange. The Company is domiciled and registered in England and Wales and incorporated under the Companies Act 2006. The address of its registered office is Thomas House, 84 Eccleston Square, London, SW1V 1PX.

The nature of the Company's operations and its principal activities are that of property investment in the UK.

Basis of preparation

The condensed consolidated financial information included in this half yearly report has been prepared in accordance with the IAS 34 "Interim Financial Reporting", as adopted by the European Union. The current period information presented in this document is unaudited and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The interim results have been prepared in accordance with applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). These standards are collectively referred to as "IFRS".
The accounting policies and methods of computations used are consistent with those as reported in the Group's Annual Report for the year ended 31 March 2025 and are expected to be used in the Group's Annual Report for the year ended 30 September 2026.

The financial information for the year ended 31 March 2025 presented in these unaudited condensed Group interim financial statements does not constitute the Company's statutory accounts for that period but has been derived from them. The Report and Accounts for the year ended 31 March 2025 were audited and have been filed with the Registrar of Companies. The Independent Auditor's Report on the Report and Accounts for the year ended 31 March 2025 was unqualified and did not contain statements under s498(2) or (3) of the Companies Act 2006. The financial information for the periods ended 30 September 2024 and 30 September 2025 are unaudited and have not been subject to a review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity, issued by the Auditing Practices Board.

The interim report was approved by the Board of Directors on 26 November 2025.

Copies of this statement are available to the public for collection at the Company's Registered Office at Thomas House, 84 Eccleston Square, London, SW1V 1PX and on the Company's website, www.palacecapitalplc.com.

Going Concern

The Directors have made an assessment of the Group's ability to continue as a going concern which included the current economic headwinds coupled with the Group's cash resources, rental income, disposals of investment and trading properties, committed capital and other expenditure and dividend distributions. The financial position of the Group, its cash flows and liquidity position are described in these financial statements.

As at 30 September 2025 the Group had £4.6 million of unrestricted cash and cash equivalents and a property portfolio with a fair value of £45.5 million. The Directors have reviewed the forecasts for the Group over the 12 months from the date of signing this report.

The Directors have a reasonable expectation that the Group have adequate resources to continue in operation for at least 12 months from the date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Interim Report.

2 Segmental reporting

During the period, the Group operated in one business segment, being property investment in the UK and as such no further information is provided.

3 Revenue

	Unaudited 6 months to 30 September 2025 £000	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Gross rental income	**2,219**	3,722	6,450
Dilapidations and other property related income	**147**	69	479
Gross property income	**2,366**	3,791	6,929
Trading property income	**368**	2,729	3,990
Service charge income	**1,313**	1,597	2,326
Total revenue	**4,047**	8,117	13,245

4 Cost of sales

	Unaudited 6 months to 30 September 2025 £000	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Void costs	**427**	599	1,436
Legal, lettings and consultancy costs	**623**	243	318
Property operating expenses	**1,050**	842	1,754

Trading property costs of sales	**377**	2,591	3,788
Service charge expense	**1,313**	1,597	2,326
Total cost of sales	**2,740**	5,030	7,868

5 Taxation

	Unaudited 6 months to 30 September 2025 £000	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Deferred tax	**-**	-	(25)
Tax credit	**-**	-	(25)

As a UK REIT, the income profits of the Group's UK property rental business are exempt from corporation tax, as are any gains it makes from the disposal of its properties, provided they are not held for trading. The Group is otherwise subject to UK corporation tax at the prevailing rate.

6 Earnings per share

Basic earnings per share and diluted earnings per share have been calculated on profit/(loss) after tax attributable to ordinary Shareholders for the year (as shown on the Consolidated Statement of Comprehensive Income) and for the earnings per share, the weighted average number of ordinary shares in issue during the period (see table below) and for diluted weighted average number of ordinary shares in issue during the year (see table below).

	Unaudited 6 months to 30 September 2025 £000	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Profit/(Loss) after tax attributable to ordinary Shareholders for the year	**275**	(945)	1,422

	Unaudited 6 months to 30 September 2025	Unaudited 6 months to 30 September 2024	Audited Year to 31 March 2025
Weighted average number of shares for basic earnings per share	**27,455,802**	33,935,021	31,325,057
Dilutive effect of share options	**-**	-	-
Weighted average number of shares for diluted earnings per share	**27,455,802**	33,935,021	31,325,057
Earnings per ordinary share			
Basic	**1.0p**	(2.8p)	4.5p
Diluted	**1.0p**	(2.8p)	4.5p

The Group financial statements are prepared under IFRS which incorporates non-realised fair value measures and non-recurring items. Alternative Performance Measures ("APMs"), being financial measures, which are not specified under IFRS, are also used by management to assess the Group's performance. These include a number of European Public Real Estate Association ("EPRA") measures, prepared in accordance with the EPRA Best Practice Recommendations reporting framework the latest update of which was issued in September 2024. The Group reports a number of these measures (detailed in the glossary of terms) because the Directors consider them to improve the transparency and relevance of our published results as well as the comparability with other listed European real estate companies.

EPRA Earnings is a measure of operational performance and represents the net income generated from the operational activities. It is intended to provide an indicator of the underlying income performance generated from the leasing and management of the property portfolio. EPRA earnings are calculated taking the profit after tax excluding investment property revaluations and gains and losses on disposals, changes in fair value of financial instruments and one-off finance termination costs. EPRA earnings is calculated on the basis of the basic number of shares in line with IFRS earnings as the dividends to which they give rise accrue to current Shareholders.

The Group also reports an adjusted earnings measure which is based on recurring earnings before tax and the basic number of shares. This is the basis on which the Directors consider dividend cover. This takes EPRA earnings as the starting point and then adds back tax and any other fair value movements or one-off items that were included in EPRA earnings. This includes share-based payments being a non-cash expense, as well as payments to former Directors and Staff, and the Short Term Incentive Plan provision ('STIP'), which are one-off exceptional items. The STIP was excluded from adjusted earnings as the provision is deemed not to be in the ordinary course of business and the performance criteria of the plan is based on the selling of assets. The plan was designed to be back end loaded in terms of paying out in order to be aligned with shareholders' interests and is therefore deemed to be an exceptional item as it does not reflect earnings from trading in the portfolio as it is capital in nature. The corporation tax charge (excluding deferred tax movements, being a non-cash expense) is deducted in order to calculate the adjusted earnings per share, if the charge is in relation to recurring earnings.

The earnings per ordinary share for the period is calculated based upon the following information:

Unaudited

	6 months to 30 September 2025 £000	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Profit/(loss) after tax attributable to ordinary shareholders for the period	**275**	(945)	1,422
Adjustments:			
(Gain)/loss on revaluation of investment property portfolio	**(358)**	3,241	2,868
Profit on disposal of investment properties	**(255)**	(500)	(1,502)
Impairment of trading properties	**66**	-	61
Trading loss/(profit)	**9**	(138)	(202)
Debt termination costs	**5**	-	35
EPRA earnings for the period	**(258)**	1,658	2,682
Payments to former Directors & Staff (including associated costs)	**311**	115	175
Share-based payments	**-**	29	57
Short term incentive plan provision (including associated costs)	**1,018**	265	644
Adjusted profit after tax for the period	**1,071**	2,067	3,558
Tax excluding deferred tax on EPRA adjustments and capital gain charged	**-**	-	(25)
Adjusted profit before tax for the period	**1,071**	2,067	3,533
EPRA and adjusted earnings per ordinary share			
EPRA basic	**(0.9p)**	4.9p	8.6p
EPRA diluted	**(0.9p)**	4.9p	8.6p
Adjusted EPS	**3.9p**	6.1p	11.3p

7 Net asset value per share

The Company has adopted the new EPRA NAV measures which came into effect for accounting periods starting 1 January 2020. EPRA issued best practice recommendations (BPR) for financial guidelines on its definitions of NAV measures. The NAV measures as outlined in the BPR are EPRA net tangible assets (NTA), EPRA net reinvestment value (NRV) and EPRA net disposal value (NDV). The Company has adopted these new guidelines and applies them in the 30 September 2025 Interim Report.

The Company considered EPRA Net Tangible Assets (NTA) to be the most relevant NAV measure for the Company and we are now reporting this as our primary NAV measure, replacing our previously reported EPRA NAV and EPRA NNNAV per share metrics. EPRA NTA excludes the intangible assets and the cumulative fair value adjustments for debt-related derivatives which are unlikely to be realised.

	30 September 2025 (unaudited)			**30 September 2024 (unaudited)**			**31 March 2025 (audited)**		
	EPRA NTA (£000)	**EPRA NRV (£000)**	**EPRA NDV (£000)**	**EPRA NTA (£000)**	**EPRA NRV (£000)**	**EPRA NDV (£000)**	**EPRA NTA (£000)**	**EPRA NRV (£000)**	**EPRA NDV (£000)**
Net assets attributable to shareholders	**49,417**	**49,417**	**49,417**	72,275	72,275	72,275	72,504	72,504	72,504
Include:									
Fair value adjustment of trading properties	**-**	**-**	**-**	392	392	392	-	-	-

Real estate transfer tax	**-**	**2,739**	**-**	-	3,631	-	-	3,254	-
Fair value of fixed interest rate debt	**-**	**-**	**-**	-	-	430	-	-	-
Exclude:									
Deferred tax on latent capital gains and capital allowances	**31**	**31**	**-**	57	57	-	32	32	-
EPRA NAV	**49,448**	**52,187**	**49,417**	72,724	76,355	73,097	72,536	75,790	72,504
EPRA NAV per share	**244p**	**258p**	**244p**	252p	264p	253p	251p	262p	251p

	Unaudited 30 September 2025	Unaudited 30 September 2024	Audited 31 March 2025
Number of ordinary shares issued at the end of the period	**20,224,775**	28,886,765	28,892,535
Dilutive effect of share options	**-**	-	-
Number of diluted ordinary shares for diluted and EPRA net assets per share	**20,224,775**	28,886,765	28,892,535
Net assets per ordinary share			
Basic NAV	**244p**	250p	251p
Diluted NAV	**244p**	250p	251p
EPRA NTA	**244p**	252p	251p

8 Dividends

	Payment Date	**Unaudited 6 months to 30 September 2025 £000**	Unaudited 6 months to 30 September 2024 £000	Audited Year to 31 March 2025 £000
Ordinary dividends paid				
2024 Interim dividend: 3.75p per share	19 April 2024	**-**	1,408	1,408
2024 Final dividend: 3.75p per share	25 August 2024	**-**	1,084	1,084
2025 Interim dividend: 3.75p per share	25 October 2024	**-**	-	1,083
2025 Interim dividend: 3.75p per share	27 December 2024	**-**	-	1,083
2025 Interim dividend: 3.75p per share	22 April 2025	**1,083**	-	-
2025 Interim dividend: 3.75p per share	14 July 2025	**1,084**	-	-
		2,167	2,492	4,658

Proposed dividend

2026 Q1 interim dividend: 3.75p per share paid on 24 October 2025.

2026 Q2 interim dividend: 3.75p per share payable on 30 January 2026

9 Property Portfolio

	Total investment properties £000
At 1 April 2024	73,845
Additions - refurbishments	175
Loss on revaluation of investment properties	(2,868)

Transfer to assets held for sale	(9,412)
Disposals	(28,377)
At 31 March 2025	33,363
Additions - refurbishments	**78**
Gain on revaluation of investment properties	**358**
Disposals	**-**
At 30 September 2025	**33,799**

	Investment properties £000	Trading properties £000	Assets held for sale £000	Total property portfolio £000
At 1 April 2024	73,845	8,126	-	81,971
Additions - refurbishments	175	-	-	175
Additions - trading properties	-	63	-	63
Loss on revaluation of properties	(2,868)	-	-	(2,868)
Transfer to assets held for sale	(9,412)		9,412	-
Impairment of trading properties		(61)	-	(61)
Disposals	(28,377)	(3,788)	-	(32,165)
At 31 March 2025	33,363	4,340	9,412	47,115
Additions - refurbishments	**78**	**-**		**78**
Additions - trading properties	**-**	**57**		**57**
Gain on revaluation of properties	**358**	**-**		**358**
Impairment of trading properties	**-**	**(66)**	**-**	**(66)**
Disposals	**-**	**(376)**	**(9,412)**	**(9,788)**
At 30 September 2025	**33,799**	**3,955**	**-**	**37,754**

The property portfolio has been independently valued at fair value. The valuations have been prepared in accordance with the RICS Valuation - Global Standards July 2017 ("the Red Book") and incorporate the recommendations of the International Valuation Standards and the RICS valuation - Professional Standards UK January 2014 (Revised April 2015) which are consistent with the principles set out in IFRS 13.

The valuer in forming its opinion makes a series of assumptions, which are typically market related, such as net initial yields and expected rental values, and are based on the valuer's professional judgement. The valuer has sufficient current local and national knowledge of the particular property markets involved and has the skills and understanding to undertake the valuations competently.

At 30 September 2025, the Company's property portfolio was externally valued by CBRE, a Royal Institution of Chartered Surveyors ("RICS") registered independent valuer. A reconciliation of the valuations carried out by the external valuer to the carrying values shown in the balance sheet was as follows:

	Unaudited 30 September 2025 £000	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Property portfolio valuation	**45,535**	60,945	53,235
Less trading properties at lower of cost and net realisable value	**(3,955)**	(5,572)	(4,340)
Less lease incentive balance in accrued income	**(7,781)**	(6,091)	(5,657)
Less assets held for sale	**-**	-	(9,412)
Less lease incentive balance included in accrued income on assets held for sale	**-**	-	(463)
Less fair value uplift on trading properties	**-**	(393)	-
Carrying value of investment properties	**33,799**	48,889	33,363

Valuation process

The valuation reports produced by the independent valuers are based on information provided by the Group such as current rents, terms and conditions of lease agreements, service charges and capital expenditure. This information is derived from the Company's financial and property management systems and is subject to the Group's overall control environment.

In addition, the valuation reports are based on assumptions and valuation models used by the independent valuers. The assumptions are typically market related, such as yields and discount rates, and are based on their professional judgment and market observations. Each property is considered a separate asset, based on its unique nature, characteristics and the risks of the property.

The Head of Property is responsible for the valuation process, verifies all major inputs to the external valuation reports, assesses the individual property valuation changes from the prior year valuation report and holds discussions with the independent valuers. When this process is complete, the valuation report is recommended to the Audit Committee, which considers it as part of its overall responsibilities.

The key assumptions made in the valuation of the Company's investment properties are:

• The amount and timing of future income streams;
• Anticipated maintenance costs and other landlord's liabilities; and
• An appropriate yield

Valuation technique

The valuations reflect the tenancy data supplied by the group along with associated revenue costs and capital expenditure. The fair value of the commercial investment portfolio has been derived from capitalising the future estimated net income receipts at capitalisation rates reflected by recent arm's length sales transactions.

Assets held for sale

	Unaudited 30 September 2025 £000	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Assets held for sale	**-**	-	9,875

Assets held for sale consist of the commercial offices of Hudson Quarter, York. In accordance with the Group's accounting policy, these properties are classified as held for sale at 31 March 2025. The office had been valued by CBRE based on based on information provided by the Group such as current rents, terms and conditions of lease agreements, service charges and capital expenditure. The valuation had been held in the financial statements at a lower of their carrying value immediately prior to being classified as held for sale and fair value less costs to sell.
Assets held for sale as at 31 March 2025 included £463,000 of lease incentives which was released on the sale of the asset in April 2025.

10 Trading property

	Total £000
At 1 April 2024	8,126
Costs capitalised	63
Impairment of trading properties	(61)
Disposal of trading properties	(3,788)
At 31 March 2025	4,340
Costs capitalised	**57**
Impairment of trading properties	**(66)**
Disposal of trading properties	**(376)**
At 30 September 2025	**3,955**

The Group developed a large mixed-use scheme at Hudson Quarter, York. Part of the approved scheme consisted of residential units which the Group is in the process of selling. As a result, the residential element of the scheme is classified as trading property.

11 Trade and other receivables

	Unaudited 30 September 2025 £000	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Current			
Trade receivables	**1,049**	1,906	817
Prepayments and accrued income	**854**	799	921
Other taxes	**-**	178	38
Other debtors	**773**	774	425
	2,676	3,657	2,201
Non-current			
Accrued income	**7,112**	5,573	5,021
	7,112	5,573	5,021
Total trade and other receivables	**9,788**	9,230	7,222

12 Cash and cash equivalents

	Unaudited 30 September 2025 £000	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Cash and cash equivalents	**4,645**	21,288	22,222

13 Trade and other payables

	Unaudited 30 September 2025 £000	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Current			
Trade payables	**19**	57	86
Accruals	**370**	415	304
Deferred rental income	**1,075**	1,288	1,206
Other taxes	**222**	585	918
Other payables	**1,053**	1,366	763
	2,739	3,711	3,277

14 Borrowings

	Unaudited 30 September 2025 £000	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Current borrowings			
Bank loans	**-**	318	-
Unamortised lending costs	**-**	-	-
	-	318	-
Non-current borrowings			
Bank loans	**-**	7,834	-
Unamortised lending costs	**-**	(46)	-
	-	7,788	-
Total borrowings			
Bank loans	**-**	8,152	-
Unamortised lending costs	**-**	(46)	-
	-	8,106	-

The maturity profile of the Group's debt was as follows

	Unaudited 30 September 2025 £000	Unaudited 30 September 2024 £000	Audited 31 March 2025 £000
Within one year	**-**	318	-
From one to two years	**-**	7,834	-
Total borrowings	**-**	8,152	-

Facility and arrangement fees

As at 30 September 2024 (unaudited)

Secured borrowings	All in cost %	Maturity date	Facility drawn £000	Unamortised facility fees £000	Loan balance £000
Scottish Widows	2.90%	July 2026	8,152	(46)	8,106
			8,152	(46)	8,106

15 Share capital

Authorised, issued and fully paid share capital is as follows:

	Unaudited 30 September 2025	Unaudited 30 September 2024	Audited 31 March 2025
Share capital - £000	**2,022**	2,889	2,889
Ordinary 10p shares	**20,224,775**	28,892,535	28,892,535
Share capital - number of shares in issue	**20,224,775**	28,892,535	28,892,535

Movement in ordinary authorised share capital is as follows:		Total number of shares
As at 31 March 2025		28,892,535
Shares repurchased	3 September 2025	(8,667,760)
As at 30 September 2025		**20,224,775**

No shares are held in Treasury.

16 Post balance sheet events

There are no post balance sheet events.

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