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Town Centre Securities PLC
26 March 2026

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TOWN CENTRE SECURITIES PLC
('TCS' or the 'Company')

Half year results for the six months ended 31 December 2025

Another resilient and stable performance

Town Centre Securities PLC, the Leeds, Manchester and London focussed property investment, development, hotel and car parking company, today announces its results for the six months ended 31 December 2025.

Commenting on the half year results, Chairman and Chief Executive Edward Ziff, said:

"We have focused on our core operations, maintaining a cautious approach rooted in financial prudence, and positioning TCS for long-term value creation. Alongside this, we have made two investments in the period; the acquisition of a retail property in Central London and an investment in a US based fund targeting multi-family residential properties in the mid-west of the US. We believe both investments will deliver both income and capital growth over the coming years. Notwithstanding, we remain ever mindful that taking advantage of potentially accretive opportunities needs to be balanced against retaining robust finances"

"Our property rental business, car park and hotel operations continue to deliver resilient underlying revenues and earnings against challenging macro-economic and geo-political conditions. These conditions have led to outward movements in the underlying yields and a further small valuation reduction of our property portfolio. However, a significant highlight in our portfolio during the period was the repositioning of our Vicar Lane, Leeds property investment, following the grant of planning approval for Dishoom's new restaurant in this location."

Financial performance

- Net assets - resilient relative performance:
  - Like for like portfolio valuation down 1.2% from June 2025:
  - Statutory net assets of £108.9m or 258p per share (FY25: £112.3m, 266p). EPRA net tangible assets ('NTA')$ measure at £106.6m or 253p per share (FY25 equivalent: £109.9m, 261p)
- Statutory results - small loss before tax:
  - Statutory loss before tax of £1.4m (HY25: Profit of £1.0m) and statutory loss per share of 3.2p (HY25: earnings of 2.3p), reflects impact of portfolio valuation reduction
- EPRA results:
  - EPRA earnings before tax* of £1.7m (HY25: £2.4m)
  - EPRA earnings per share before tax* of 4.0p (HY25: 5.4p)
  - EPRA earnings* after tax of £1.2m (HY25: £1.8m)
  - EPRA earnings per share* of 2.8p (HY25: 4.2p)
- Loan to Value increased slightly to 54.8% (FY25: 53.1%) following valuation reduction and investments made in the year:
  - Total net borrowings of £148.7m (FY25: £139.9m) including £82.4m debenture
- Weighted average cost of borrowings at period end at 5.2%, with 79.5% of borrowings at fixed rate
- Shareholder returns:
  - Interim dividend of 2.5p (HY25: 2.5p), fully covered by EPRA earnings

** Alternative performance measures are detailed, defined and reconciled within Note 6 and the financial review section of this announcement*

*** LTV Calculation includes finance lease assets and liabilities*

Protecting shareholder value whilst safeguarding the business for the future

Progress delivered under the four key strategic initiatives is as follows:

Actively managing our assets

Our long-standing strategy of active management and redevelopment, to drive income and capital growth, has continued:

- We have a diversified portfolio comprising: 34% in retail and leisure; 27% offices; 13% car parks; 13% residential; 9% developments; and 4% hotels
- The portfolio is also very focused, with 89% located in Leeds and Manchester
- The void rate across our portfolio increased to 8.4% at 31 December 2025 (7.4% at 30 June 2025), stated prior to lettings currently in solicitors' hands
- Strong rent collection for the period of 99.2% (FY25: 99.2%)
- We are currently completing the landlord's works prior to giving Dishoom occupation in April 2026 to fit out their highly anticipated new restaurant at Vicar Lane, Leeds (following planning approval being granted in October 2025)
- Underlying car park business continues to grow, benefitting from the roll out of our barrierless, ANPR and technology enabled parking management system; operating profit before valuation movements of £2.3m in HY26, up from £1.8m in

the same period last year

Maximising available capital

A conservative capital structure, with a mix of short and long-term secure financing, has always underpinned our approach:

- Comfortable loan to value headroom over our bank facilities of £21.3m based on 31 December 2025 borrowings and valuations
- Loan to value increased to 54.8% following valuation reduction in the period and investments made (FY25: 53.1%)

Investing in our development pipeline

TCS's development pipeline, with an estimated GDV of over £500m, is a valuable and strategic point of difference, which we continue to progress and enhance:

- **Merrion Centre:** In December 2025, as part of the Merrion Centre's evolution, we received the planning approval decision notice for student accommodation. This approval incorporates a 1,039 bed purpose-built student accommodation scheme based on the redevelopment of Wade House and the adjacent 100MC site
- **Whitehall Riverside:** We continue to move forward with both build contractors/professional teams and potential tenants for all phases of the development (following the securing of a planning consent and decision notice at Whitehall Riverside in March 2024)

Outlook - strong financial position to pursue attractive opportunities

- Focus on our core operations and bringing forward our developments
- Continue to explore opportunities to acquire assets in Leeds, Manchester and London, but important to retain robust finances, linking new acquisitions with the recycling of existing capital
- Resilient trading performance has continued into the second half of FY26:
  - Rent collections remain robust with over 99% of amounts invoiced in the last quarter of the year now collected
  - Car parks' momentum continues, with the like for like growth in HY26 continuing into January and February of 2026
  - Significant headroom of £21.3m on existing revolving credit facilities
  - Weighted average cost of borrowings at period end of 5.2%, with 79.5% of borrowings at fixed rates
- The Company's share price continues to trade at a significant discount to its NTA per share

-Ends-

For further information, please contact:

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Chairman and Chief Executive's Statement

Resetting and reinvigorating the business for the future

We have seen a stable performance across all three operational segments of the business in the past six months. Our property and car park portfolio has very slightly reduced in value by 1.2% like for like over the six months, which we believe reflects the general market rather than any concerns around our portfolio.

Our strategy over the last four years has been to create a business that:

- Has lower levels of absolute debt and leverage
- Is diversified with a much-reduced level of retail property
- Works closely with and supports all our tenants, doing our best to ensure that following the disruption of the last few years as many of our tenants as possible are able to bounce back strongly
- Is further diversified with a capital light, profitable car park business
- Has rebased and has significant growth opportunities because of our valuable development pipeline and asset management opportunities

Results

The statutory loss for the six months ended 31 December 2025 was £1.4m (HY25: profit of £1.0m) giving a loss per share of 3.2p (HY25: earnings per share of 2.3p). The like for like portfolio decreased in value by 1.2% over the six months under review as a result of market sentiment around the UK's economic outlook.

EPRA earnings for the six months ended 31 December 2025 were £1.2m (HY25: £1.8m) giving EPRA earnings per share of 2.8p (HY25: 4.2p). Before tax EPRA earnings for the six months ended 31 December 2025 were £1.7m (HY25: £2.4m) giving EPRA earnings per share before tax of 4.0p (HY25: 5.4p).

Statutory Net Assets of £108.9m (30 June 2025: £112.3m) have reduced in the six month period, with a corresponding reduction in net assets per share to 258p (30 June 2025: 266p).

EPRA Net Tangible Assets (EPRA NTA); which in the case of TCS reduces statutory net assets by the £2.3m of reported Goodwill (FY25 comparable £2.4m), for the half year is £106.6m compared to £109.9m at FY25. EPRA NTA per share is 253p (FY25 comparable 261p). The full breakdown of the EPRA net asset measures are detailed later.

Borrowings

Net borrowings, which includes lease liabilities, have increased by 5.2% over the six months from £139.9m to £148.7m, following the investments made in the period.

The increase in borrowings and the valuation reductions we have seen in our property portfolio have resulted in our loan to value level increasing by 170 bps from the June year end to 54.8%.

Following the period end, in March 2026 the Company agreed to buyback for cancellation a further £5.3m of the Company's debenture stock at an all-in cost of £97 for every £100 nominal value. This was funded out of existing working capital and a £2m drawdown from one of our revolving credit facilities. This will result in a small increase to net asset value of £0.2m and the nominal value of our debenture stock has reduced to £77.1m

Dividends

A fully covered interim dividend of 2.5p per share (HY25 2.5p) will be paid on the 12 June 2026 to shareholders registered on 22 May 2026; amounting to £1.1m in total. The ex-dividend date for the interim dividend will be 21 May 2026.

The maintenance of the interim dividend at 2.5p reflects the resilience of the underlying earnings of our core business and also the strengthening of the balance sheet following the asset sales completed over the last three years - this dividend is fully covered and represents 89% of EPRA earnings.

Portfolio Performance

The value of investment properties, developments, joint ventures and car parks at the half-year stood at £257.9m (June 2025: £254.1m).

The following table provides an overview of the performance of the portfolio, including our share of joint venture assets, in the six months ended 31 December 2025, highlighting the well-balanced portfolio and also the underlying current and potential future value of our development pipeline.

	Passing rent	**ERV**	**Value**	**% of portfolio**	**Valuation incr/(decr)**	**Initial yield**	**Reversionary yield**
	£m	**£m**	**£m**				
Retail & Leisure (City Centre excl Merrion)	0.8	1.9	23.8	9%	13.6%	3.1%	7.7%
Merrion Centre (ex offices)	4.9	5.1	50.5	20%	-4.9%	9.3%	9.6%
Out of town retail	1.1	1.3	13.1	5%	0.4%	7.6%	9.7%
Total Retail and Leisure	*6.8*	*8.4*	*87.3*	*34%*			
Offices	5.1	5.9	69.7	27%	0.5%	6.9%	8.1%
Hotels	0.9	0.9	9.5	4%	-6.9%	9.0%	9.0%
Residential	1.6	1.8	34.5	13%	-0.2%	4.3%	5.1%
	14.3	**17.1**	**201.0**	**78%**	**-0.4%**	**6.7%**	**8.1%**
Development property			22.2	9%	-4.7%		
Car parks			34.8	13%	-3.6%		
Portfolio			**257.9**	**100%**	**-1.2%**		

Note the above table includes Merrion House within Offices and therefore differs from the notes in the accounts
Note excludes IFRS16 adjustments to Car Park valuations

The following table reconciles the above analysis to that set out in Note 7.

	£m
Portfolio - as per note 7	249.8
50% Share in Merrion House	27.5
Goodwill - Car Parks	1.7
Less - Right-to-Use Car Parks	(21.1)
As per the table above	257.9

Note - the IFRS 16 Right-of-Use car parks (£21.1m) are excluded in the portfolio analysis above as the Directors do not believe it is appropriate to include these assets where the Group does not have full control over them.

On a like for like basis the whole portfolio decreased in value by 1.2% since June 2025 (FY25: 2.4% reduction) accounting for a £3.1m like for like decrease in value (investment, development, car park and joint venture assets).

Retail and Leisure now account for 34% of our portfolio, up from 30% six months ago following the acquisition of a retail property in Central London and the repurposing of an old office building in Leeds as a leisure destination.

Maximising available capital

In the past six months we have not sold any investment properties.

In August 2025 the Company made a $5m investment in a US based fund specialising in buying and selling small multi-family residential units in the mid-west of the US. This investment of £3.8m in sterling terms was funded by a £5m drawdown from our existing Lloyds Bank revolving credit facility. Although not guaranteed, our investment attracts a preferred return of 8% per annum that will be rolled up until rent stabilisation is achieved.

In November 2025 the company acquired a retail property in Central London for £5.6m. This property includes two ground floor retail units and three long leasehold residential units on the upper floors. Both the retail and residential units provide asset management opportunities to generate either income growth or future capital receipts. This property was funded by drawdowns from two of our existing revolving credit facilities.

Net borrowings as at 31 December 2025 were £148.7m - comprising of £82.4m of 5.375% First Mortgage Debenture Stock 2031, £36.4m of bank debt (net of cash) and £29.9m of lease liabilities. There were a further £45.3m of undrawn revolving credit facilities at the half-year.

Actively managing our assets

We have completed or renewed six commercial leases in the period representing annual rental income of £0.1m in aggregate. Following the period end we have completed one further lease renewal representing an additional £0.3m of annual rental income, and have exchanged contracts on another £0.2m of annual rental income.

The Merrion Centre, our single largest asset, is continuing to evolve and is proving to be a strong restaurant and leisure destination, when compared to the past, capitalising on the increasing footfall generated by the nearby student population which has grown substantially in recent years.

The void level across the portfolio remains above 8%, however this is expected to reduce in the coming months as leases that are in solicitors' hands exchange unconditionally. During the period only one tenant entered into a CVA - this related to a small kiosk unit within the Merrion Centre. In March 2026, NCP, a tenant of our Wellington Street, Sheffield MSCP was placed in administration. The annual rent derived from this unit is £0.2m.

Investing in our development pipeline

TCS owns a significant development pipeline which gives the Company a clear and material opportunity for future growth. The current pipeline has an estimated gross development value (GDV) of over £500m, with most developments already part of the relevant local government approved strategic planning frameworks or actually in possession of detailed planning permission.

We take a conservative approach to development to ensure we never overcommit ourselves. Alongside this, the Company has a successful track record in obtaining planning and delivering strategic developments. We have continued to progress our development sites, while monitoring economic conditions and market sentiment to inform decisions.

The key components of the development pipeline include:

- **Piccadilly Basin, Manchester**: Mixed residential, commercial, and car-parking with a total estimated GDV of over £170m
- **Whitehall Riverside, Leeds**: Office, car-parking, and potentially leisure provision with a total estimated GDV of over £175m
- **Merrion Estate, Leeds**: 100MC and Wade House PBSA Scheme with a total estimated GDV of over £155m

<u>Piccadilly Basin, Manchester</u>

Our Dale and Burlington Street surface car parks are key components of the Piccadilly Basin Strategic Regeneration Framework ('SRF'). We are currently looking at refreshing this SRF to bring it up to date and relevant in order to unlock the potential of this truly unique part of the city centre.

<u>Whitehall Riverside, Leeds</u>

We received planning permission for our prime Whitehall Riverside site in 2024 and completed the ground works in the year ended 30 June 2025. In July 2025 we unveiled details of 'Z', a future focused office development, which will create best-in-class, smart, energy-efficient office spaces as a core element of the wider masterplan that also includes a multi-storey car park. Although rental values and demand are increasing, in particular for new build prime 'right-sized' office space, this is not reflected in current investment yields and is delaying physical development.

<u>Merrion Estate, Leeds</u>

We received the planning approval decision notice from Leeds City Council in December 2025 for a flagship student accommodation scheme at the Merrion Centre. The plans will deliver 1,039 high-quality student bedrooms with premium amenities by repurposing the vacant 13-storey Wade House and introducing a striking 37-storey building on the adjacent 100MC site. Adding residential use for the first time marks a significant milestone in the Merrion Centre's 61-year history and supports our vision to diversify the estate.

The student accommodations will be complemented across both buildings with a range of amenities, including residents' lounges, co-working spaces, meeting spaces, cinema, gym, karaoke room, secure cycle spaces and external terraces.

CitiPark - capital light growth continuing

- Our underlying car park business continues to grow, benefitting from the roll out of our barrierless, ANPR and technology enabled parking management system to deliver the highest possible customer service and the best value; operating profit before valuation movements of £2.3m in HY26, was up from £1.8m in the same period last year.

Outlook

The resilient and stable trading performance reported in the six months ended 31 December 2025 is continuing into 2026.

Over the previous years the business has been reset. We are now looking predominantly at managing our existing investments, with a more diverse portfolio of assets and bringing forward our development pipeline in a risk-controlled manner. We are looking at further accretive investments, but are mindful of retaining robust finances, funding new investments through the recycling of existing capital.

EPRA Net Asset reporting

The below table reconciles IFRS net assets to Net Tangible Assets (NTA), and the other EPRA measures.

There are three EPRA Net Asset Valuation metrics, namely EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV). The EPRA NRV scenario, aims to represent the value required to rebuild the entity and assumes that no selling of assets takes place. The EPRA NTA is focused on reflecting a company's tangible assets. EPRA NDV aims to represent the shareholders' value under an orderly sale of business, where, for example, financial instruments are calculated to the full extent of their liability. All three NAV metrics share the same starting point, namely IFRS Equity attributable to shareholders.

£m	**HY26**	**FY25**	HY26 p per share	FY25 p per share
IFRS reported NAV	**108.9**	**112.3**	**258**	**266**
Purchasers Costs [1]	18.5	18.0		
EPRA Net Reinstatement Value	**127.4**	**130.3**	**302**	**309**
Remove Purchasers Costs	(18.5)	(18.0)		
Remove Goodwill [2]	(2.3)	(2.4)		
EPRA Net Tangible Assets	**106.6**	**109.9**	**253**	**261**
Fair value of fixed interest rate debt [3]	14.4	15.4		
EPRA Net Disposal Value	**121.0**	**125.3**	**287**	**297**

[1] *Estimated purchasers' costs including fees and stamp duty and related taxes*

[2] *Removal of goodwill as per the IFRS Balance Sheet - relates predominantly to goodwill paid to acquire two long term car park leaseholds in London*

[3] *Represents the adjustment to fair value (market price) of the 2031 5.375% debenture and the single asset facility*

Responsibility statement of the directors

The directors confirm that, to the best of their knowledge, these condensed consolidated interim financial statements have been prepared in accordance with IAS 34 as adopted in the United Kingdom. The interim management report includes a fair review of the information required by DTR 4.2.4, namely:

- an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of 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 of the financial year and any material changes in the related party transactions described in the last Annual Report and Accounts.

A list of current directors is maintained on the Town Centre Securities PLC Group website: www.tcs-plc.co.uk.

Principal risks and uncertainties

The group set out on page 50 of its annual report and accounts 2025 the principal risks and uncertainties that could impact its performance; these remain largely unchanged since the annual report was published. The group operates a structured risk management process, which identifies and evaluates risks and uncertainties and reviews mitigation activity.

The key underlying property risks facing the business continue to relate to tenant strength, particularly in the retail arena, portfolio valuation and the related funding headroom which is driven by portfolio valuation.

Systems risk related to the increasing level of cyber security threats and GDPR risk and the need to carefully control the use of personal data continue to demand vigilance from all staff.

TCS continues to operate in a conservative manner with processes and procedures in place to ensure risk management is central to all business planning and decision making. These processes and procedures remain as detailed in the 2025 annual report.

Forward-looking statements

Certain statements in this half year report are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements.

The group undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Edward Ziff OBE DL | **Stewart MacNeill**

Chairman and Chief Executive | Group Finance Director

26 March 2026

Consolidated condensed income statement

for the six months ended 31 December 2025

	Notes	**Six months ended 31 December 2025 Unaudited £000**	Six months ended 31 December 2024 Unaudited Restated £000	Year ended 30 June 2025 Audited £000
Gross revenue (excl. service charge income)		**15,786**	15,153	29,757
Service charge income		**1,390**	1,496	2,935
Gross revenue		**17,176**	16,649	32,692
Service charge expenses		**(2,358)**	(2,163)	(4,310)
Property expenses		**(6,828)**	(6,327)	(13,516)
Net revenue		**7,990**	8,159	14,866
Administrative expenses		**(3,689)**	(4,039)	(7,512)
Other income		**674**	1,436	1,937
(Impairment)/reversal of impairment of car parking assets	7(b)	**(879)**	627	(2,697)
Impairment of goodwill	8	**-**	-	(772)
Valuation movement on investment properties	7(a)	**(980)**	(1,146)	(2,214)
Loss on disposal of investment properties		**(132)**	-	-
Profit on disposal of freehold and leasehold properties		**-**	1,762	1,762
Loss on disposal of investments		**-**	(87)	(87)
Share of post-tax profits from joint ventures	9	**542**	522	1,057
Operating profit		**3,526**	7,234	6,340
Finance costs	3	**(3,851)**	(3,694)	(7,423)
Finance income	3	**-**	17	18
(Loss)/profit before taxation		**(325)**	3,557	(1,065)
Taxation	4	**(1,047)**	(2,568)	(2,381)
(Loss)/profit for the period		**(1,372)**	989	(3,446)

All (losses)/profits for the period are attributable to equity shareholders.

	Notes			
Earnings/(losses) per share	6			
Basic and Diluted		**(3.2p)**	2.3p	(8.2p)
EPRA (non-GAAP measure)		**2.8p**	4.2p	4.2p

Consolidated condensed statement of comprehensive income

for the six months ended 31 December 2025

		Six months ended 31 December 2025 Unaudited £000	Six months ended 31 December 2024 Unaudited Restated £000	Year ended 30 June 2025 Audited £000
(Loss)/profit for the period		**(1,372)**	989	(3,446)
Items that will not be subsequently reclassified to profit or loss				
Revaluation losses on car parking assets	7(b)	**(337)**	(823)	(656)
Revaluation (losses)/gains on hotel assets	7(c)	**(579)**	521	542
Revaluation losses on other investments	10	**(71)**	(355)	(706)
Deferred tax on revaluation losses		**58**	213	178
Total other comprehensive losses		**(929)**	(444)	(642)
Total comprehensive (loss)/profit for the period		**(2,301)**	545	(4,088)

All recognised income for the period is attributable to equity shareholders.

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

Consolidated condensed balance sheet

as at 31 December 2025

	Notes	**31 December 2025 Unaudited £000**	31 December 2024 Unaudited Restated £000	30 June 2025 Audited £000
Non-current assets				
Property rental				
Investment properties	7	**188,981**	183,087	183,092
Investments in joint ventures	9	**6,092**	5,188	5,636
		195,073	188,275	188,728
Car park activities				
Freehold and right of use properties	7	**51,299**	54,932	52,470
Goodwill and intangible assets	8	**2,347**	3,313	2,430
		53,646	58,245	54,900
Hotel operations				
Freehold properties	7	**9,500**	10,300	10,200
		9,500	10,300	10,200
Fixtures, equipment and motor vehicles	7	**1,523**	1,430	1,613
Investments	10	**6,957**	3,610	3,259
Deferred tax assets	12	**-**	728	939
Total non-current assets		**266,699**	262,588	259,639
Current assets				
Trade and other receivables		**4,595**	3,972	3,802
Cash and cash equivalents		**26,546**	24,790	17,990
Total current assets		**31,141**	28,762	21,792
Total assets		**297,840**	291,350	281,431
Current liabilities				
Trade and other payables		**(13,577)**	(12,715)	(11,229)
Bank overdrafts		**(24,377)**	(22,179)	(18,375)
Financial liabilities		**(8,517)**	(3,871)	
11				(12,620)
Total current liabilities		**(46,471)**	(38,765)	(42,224)
Non-current liabilities				
Financial liabilities		**(142,391)**	(134,596)	
11				(126,905)
Deferred tax liabilities	12	**(31)**	-	-
Total non-current liabilities		**(142,422)**	(134,596)	(126,905)
Total liabilities		**(188,893)**	(173,361)	(169,129)
Net assets		**108,947**	117,989	112,302
Equity attributable to owners of the Parent				
Called up share capital	13	**10,540**	10,540	10,540
Share premium account		**200**	200	200
Capital redemption reserve		**3,309**	3,309	3,309
Revaluation reserve		**3,390**	4,095	4,248
Retained earnings		**91,508**	99,845	94,005
Total equity		**108,947**	117,989	112,302
Net asset value per share	**15**	**258p**	280p	266p

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

Consolidated condensed statement of changes in equity

for the six months ended 31 December 2025

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Revaluation Reserve £000	Retained earnings £000	Total equity £000
Balance at 1 July 2024	10,540	200	3,309	4,184	99,211	117,444
Comprehensive loss for the year						
Profit for the period - restated	-	-	-	-	989	989
Other comprehensive loss	-	-	-	(89)	(355)	(444)
Total comprehensive (loss)/income for the period - restated	-	-	-	(89)	634	545
Balance at 31 December 2024 - restated	**10,540**	**200**	**3,309**	**4,095**	**99,845**	**117,989**
Balance at 1 July 2025	10,540	200	3,309	4,248	94,005	112,302
Comprehensive loss for the year						
Loss for the period	-	-	-	-	(1,372)	(1,372)
Other comprehensive loss	-	-	-	(858)	(71)	(929)
Total comprehensive loss for the period	-	-	-	(858)	(1,443)	(2,301)
Contributions by and distributions to owners						
Dividends relating to the year ended 30 June 2025	-	-	-	-	(1,054)	(1,054)
Balance at 31 December 2025	**10,540**	**200**	**3,309**	**3,390**	**91,508**	**108,947**

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

Consolidated condensed cash flow statement

for the six months ended 31 December 2025

	Notes	**Six months ended 31 December 2025 Unaudited** £000	£000	Six months ended 31 December 2024 Unaudited £000	£000	Year ended 30 June 2025 Audited £000	£000
Cash flows from operating activities							
Cash generated from operations	14	**6,701**		6,087		9,471	
Interest received		**-**		17		18	
Interest paid		**(3,259)**		(3,114)		(6,186)	
Corporation tax paid		**(19)**		-		(59)	
Net cash generated from operating activities			**3,423**		2,990		3,244
Cash flows from investing activities							
Purchases and construction of investment properties		**(5,571)**		-		-	
Refurbishment and development of investment properties		**(1,389)**		(3,310)		(4,183)	
Purchases of fixtures, equipment and motor vehicles		**(196)**		(260)		(645)	
Proceeds from sale of fixed assets		**-**		76		131	
Proceeds from sale of investments incl. loan repayments		**-**		3,095		3,095	
Payments for investments		**(3,769)**		(485)		(496)	
Distributions received from joint ventures		**87**		86		173	
Net cash used in investing activities			**(10,838)**		(798)		(1,925)
Cash flows from financing activities							
Proceeds from borrowings		**11,000**		-		-	
Repayment of borrowings		**(51)**		(86)		(100)	
Arrangement fees paid		**(127)**		(50)		(163)	
Principle element of lease payments		**(853)**		(837)		(1,780)	
Dividends paid to shareholders		**-**		-		(1,054)	
Net cash generated from/(used in) financing activities			**9,969**		(973)		(3,097)
Net increase/(decrease) in cash and cash equivalents			**2,554**		1,219		(1,778)
Cash and cash equivalents at beginning of period			**(385)**		1,392		1,392
Cash and cash equivalents at end of period			**2,169**		2,611		(386)

Cash and cash equivalents at the year-end are comprised of the following:

Cash balances	**26,546**	24,790	17,989
Overdrawn balances	**(24,377)**	(22,179)	(18,375)
	2,169	2,611	(386)

The Consolidated Cash Flow Statement should be read in conjunction with Note 14.

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

Notes to the consolidated interim financial information

1. Financial information

General information

Town Centre Securities PLC (the "Company") is a public limited company domiciled in the United Kingdom. Its shares are listed on the main market of the London Stock Exchange. The address of its registered office is Town Centre House, The Merrion Centre, Leeds LS2 8LY. The principal activities of the group during the period remained those of property investment, development and trading and the provision of car parking.

This interim financial information was approved by the board on 25 March 2026.

The comparative financial information for the year ended 30 June 2025 in this half-yearly report does not constitute statutory accounts for that year as defined in section 434 of the Companies Act 2006. The statutory accounts for the year ended 30 June 2025 have been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting", in accordance with UK adopted international accounting standards. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the accounts for the year ended 30 June 2025. The financial information for the six months ended 31 December 2025 and 31 December 2024 is unaudited.

Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year, although as the Group left the REIT regime with effect from 1 July 2023 the accounting policy on taxation has been expanded to provide additional disclosure specifically around the transition out of the REIT regime. Further details around this policy are detailed below.

The group's financial performance is not seasonal.

In the current environment, the directors consider revenue to be of particular importance and therefore we set out below our revenue policy in respect of rental income:

Rental income

Revenue includes rental income net of VAT.

Most of the Group's rental income is billed either monthly or quarterly in advance. A receivable and deferred income is recognised at the date payment is due

Rent receivables recognised are subject to impairment (refer to the Trade and Other Related Party receivables policy in the financial statements of the Company for the year ended 30 June 2025).

Any lease incentives are spread on a straight-line basis across the period of the lease.

Rental income is recognised as revenue (to the extent it is considered collectible) as follows:

- i) Fixed rental income is recognised on a straight-line basis over the term of the lease;
- ii) turnover rents are based on underlying turnover and are recognised in the period to which the turnover relates;
- iii) rent reviews are recognised in the period to which they relate providing they have been agreed or otherwise on agreement; and
- iv) Where rent concessions have been granted that reduce the payments due under a lease in future periods, the total revised consideration (plus any prepaid or accrued lease payments) is spread over the remaining lease term from the date the concession is granted.

Taxation

The Group's tax expense comprises both current tax and deferred tax expense.

Current tax is the expected tax payable on taxable profit for the year and is calculated using tax rates and laws substantively enacted at the balance sheet date.

A deferred tax asset represents a tax deduction that is expected to arise in a future period. It is only recognised to the extent that it is probable that the tax deduction will be capable of being offset against taxable profits and gains in future periods. A deferred tax liability represents taxes which will become payable in a future period as a result of a current or prior year transaction. Deferred tax assets and liabilities are netted off on the balance sheet. The tax rates used to determine deferred tax are those enacted or substantively enacted at the balance sheet date that are expected to apply when the deferred tax asset or liability are realised.

Current tax and deferred tax are recognised in the consolidated income statement except when it relates to items recognised in other comprehensive income or directly in equity, in which case it is credited or charged to other comprehensive income or directly to equity respectively.

In the period from 2 October 2007 to 30 June 2023 the Company elected for Group REIT status. During this period the Group did not recognise any deferred tax assets as there was insufficient evidence to support that there would be any future taxable profits in the Group.

The Group left the REIT regime with effect from 1 July 2023 and the profits of the Group are now all subject to corporation tax. This has resulted in the recognition of a deferred tax asset relating to trading losses from previous periods where there is sufficient evidence that they will be offset against future taxable profits.

Use of estimates and judgements

With the exception of taxation, there have been no changes in the method of applying appropriate accounting estimates in the period. Any difference between the receivables previously recognised and the cash subsequently collected has been disclosed in the income statement. There have been no other estimates of amounts reported in prior periods which have a material impact on the current half year period.

Taxation

Significant judgment is required in determining the provision for income tax and the calculation of any deferred tax balances. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences impact the income tax and deferred tax provisions in the period in which such determination is made. Some subsidiaries have generated or generate tax losses. Often these can be used to offset taxable gains of subsequent periods. The Group monitors the development of such tax loss situations. Based on the business plans of the Group, the recoverability of such tax losses is determined. In the case that a tax loss is deemed to be recoverable, the recognition of a deferred tax asset for such a tax loss is then decided. This judgement resulted in the recognition of a deferred tax asset as at 1 July 2023 of £2,429,000.

Going concern

The financial information for the six months ended 31 December 2025 have been prepared on a going concern basis. In light of the current macro-economic environment the Directors have considered various downside scenarios to the Group's financial forecasts in assessing its ability to continue as a going concern. Despite the negative economic impacts and the uncertainty created, the scenarios reviewed confirm the appropriateness of preparing these financial statements on a going concern basis. The Group is currently in compliance with all of its covenants. The most material risks concern the impact on the valuation of the property portfolio and our ability to meet bank loan and debenture covenants, although the Group does have potential mitigants at its disposal to address these uncertainties which include, but are not limited to, further disposals of assets, pledging as additional security ungeared properties valued at £2.3m at 31 December 2025 and seeking lender consent to an extension of financial covenant waivers to cover extended periods of disruption.

2. Segmental information

The chief operating decision-maker has been identified as the board. The board reviews the group's internal reporting in order to assess performance and allocate resources. The board has determined the operating segments based on these reports.

Segmental assets

	31 December 2025 £000	31 December 2024 Restated £000	30 June 2025 £000
Property rental	**226,949**	217,933	211,688
Car park activities	**54,434**	59,507	56,284
Hotel operations	**9,500**	10,300	10,200
Investments	**6,957**	3,610	3,259
Total assets	**297,840**	291,350	281,431

Segmental results

	Six months ended 31 December 2025					Six months ended 31 December 2024 Restated				
	Property rental £000	Car park activities £000	Hotel operations £000	Invest-ments £000	Total £000	Property rental £000	Car park activities £000	Hotel operations £000	Invest-ments £000	Total £000
Gross revenue (excl. service charge income)	**6,157**	**7,870**	**1,759**	**-**	**15,786**	6,436	6,946	1,771	-	15,153
Service charge income	**1,390**	**-**	**-**	**-**	**1,390**	1,496	-	-	-	1,496
Gross revenue	**7,547**	**7,870**	**1,759**	**-**	**17,176**	7,932	6,946	1,771	-	16,649
Service charge expenses	**(2,358)**	**-**	**-**	**-**	**(2,358)**	(2,163)	-	-	-	(2,163)
Property expenses	**(637)**	**(4,711)**	**(1,480)**	**-**	**(6,828)**	(751)	(4,159)	(1,417)	-	(6,327)
Net revenue	**4,552**	**3,159**	**279**	**-**	**7,990**	5,018	2,787	354	-	8,159
Administrative expenses	**(2,830)**	**(859)**	**-**	**-**	**(3,689)**	(3,080)	(959)	-	-	(4,039)
Other income	**674**	**-**	**-**	**-**	**674**	1,436	-	-	-	1,436
Share of post tax profits from joint ventures	**542**	**-**	**-**	**-**	**542**	522	-	-		522
Operating profit before valuation movements	**2,938**	**2,300**	**279**	**-**	**5,517**	3,896	1,828	354	-	6,078
Valuation movement on investment properties	**(980)**	**-**	**-**	**-**	**(980)**	(1,146)	-	-	-	(1,146)
(Impairment)/reversal of impairment of car parking assets	**-**	**(879)**	**-**	**-**	**(879)**	-	627	-	-	627
Loss on disposal of investment properties	**(132)**	**-**	**-**	**-**	**(132)**	-	-	-	-	-
Profit on disposal of freehold and leasehold properties	**-**	**-**	**-**	**-**	**-**	-	1,762	-	-	1,762
Loss on disposal of investments	**-**	**-**	**-**	**-**	**-**	-	-	-	(87)	(87)
Operating profit/(loss)	**1,826**	**1,421**	**279**	**-**	**3,526**	2,750	4,217	354	(87)	7,234
Finance costs					**(3,851)**					(3,694)
Finance income					**-**					17
(Loss)/profit before taxation					**(325)**					3,557
Taxation					**(1,047)**					(2,568)
(Loss)/profit for the period					**(1,372)**					989

All results are derived from activities conducted in the United Kingdom.

The car park results include car park income from sites that are held for future development. The value of these sites has been determined based on their development value and therefore the total value of these assets has been included within the assets of the property rental business.

The net revenue at the development sites for the six months ended 31 December 2025, arising from car park operations, was £811,000. After allowing for an allocation of administrative expenses, the operating profit at these sites was £562,000.

Revenue received within the car park and hotel segments, along with service charge income from the property rental segment, is the only revenue recognised on a contract basis under IFRS 15. All other revenue within the property segment comes from rental lease agreements.

3. Finance costs

	Six months ended 31 December 2025 £000	Six months ended 31 December 2024 £000	Year ended 30 June 2025 £000
Interest on debenture loan stock	**2,215**	2,215	4,430
Interest payable on bank borrowings	**1,031**	893	1,756
Amortisation of arrangement fees	**142**	138	274
Interest expense on lease liabilities	**463**	448	963
Total finance costs	**3,851**	3,694	7,423
Interest receivable on loans to joint ventures	**-**	-	(5)
Other interest receivable	**-**	(17)	(13)
Total finance income	**-**	(17)	(18)

Net finance costs	**3,851**	3,677	7,405

4. Taxation

	Six months ended 31 December 2025	Six months ended 31 December 2024 Restated	Year ended 30 June 2025
	£000	£000	£000
Current tax			
- Current year	**-**	-	-
- Adjustments in respect of prior years	**19**	-	59
	19	-	59
Deferred tax			
- Utilisation of trading losses	**465**	625	967
- Origination and reversal of timing differences	**563**	1,943	1,355
	1,028	2,568	2,322
	1,047	2,568	2,381

	Six months ended 31 December 2025	Six months ended 31 December 2024 Restated	Year ended 30 June 2025
	£000	£000	£000
(Loss)/profit before taxation	**(325)**	3,557	(1,065)
(Loss)/profit on ordinary activities multiplied by the rate of corporation tax of 25% (2024: 25%)	**(81)**	889	(266)
Effects of			
- Valuation movements on which deferred tax is not recognised	**973**	1,655	2,344
- Expenses not deductible for tax purposes	**136**	24	244
- Adjustments in respect of prior years	**19**	-	59
	1,047	2,568	2,381

The Company left the REIT regime with effect from 1 July 2023, therefore the profits of the Company are now subject to corporation tax.

5. Dividends

	Six months ended 31 December 2025 £000	Six months ended 31 December 2024 £000	Year ended 30 June 2025 £000
2025 interim dividend: 2.5p per 25p share	**-**	**-**	1,054
2025 second interim dividend: 2.5p per 25p share	**1,054**	**-**	-
	1,054	**-**	1,054

No final dividend was proposed in respect of the year ended 30 June 2025 (FY24 Final: £nil).

A second interim dividend was declared on 3 December 2025 in respect of the year ended 30 June 2025 of 2.5p per share; this dividend was paid to shareholders on 8 January 2026.

An interim dividend in respect of the year ending 30 June 2026 of 2.5p per share is proposed. This dividend, based on the shares in issue at 25 March 2026, amounts to £1.054m which has not been reflected in these interim accounts and will be paid on 12 June 2026 to shareholders on the register on 22 May 2026.

6. Earnings per share

The calculation of basic earnings per share has been based on the loss for the period, divided by the number of shares in issue. The weighted average number of shares in issue during the period was 42,162,679 (2024: 42,162,679).

	Six months ended 31 December 2025		Six months ended 31 December 2024 Restated		Year ended 30 June 2025	
	Earnings £000	**Earnings per share Pence**	Earnings £000	Earnings per share Pence	Earnings £000	Earnings per share Pence
Basic earnings and earnings per share	**(1,372)**	**(3.2)**	989	2.3	(3,446)	(8.2)
Valuation movement on investment properties	**980**	**2.3**	1,146	2.7	2,214	5.3
Deferred tax on valuation movements	**563**	**1.3**	1,943	4.6	1,216	2.9
Impairment/(reversal of impairment) of car parking assets	**879**	**2.1**	(627)	(1.5)	2,697	6.4
Impairment of goodwill	**-**	**-**	-	-	772	1.8
Loss on disposal of investment properties	**132**	**0.3**	-	-	-	-
Profit on disposal of freehold and leasehold properties	**-**	**-**	(1,762)	(4.1)	(1,762)	(4.2)

Loss on disposal of investments	**-**	**-**	87	0.2	87	0.2
EPRA earnings and earnings per share	**1,182**	**2.8**	1,776	4.2	1,778	4.2

There is no difference between basic and diluted earnings per share.

There is no difference between basic and diluted EPRA earnings per share.

7. Tangible fixed assets

(a) Investment properties - property rental business

	Freehold £000	Right of use asset £000	Development £000	Total £000
Valuation at 1 July 2024	151,410	5,116	24,451	180,977
Other capital expenditure	2,405	17	1,760	4,182
Valuation movement	1,528	(87)	(3,655)	(2,214)
Movement in tenant lease incentives	147	-	-	147
Valuation at 1 July 2025	155,490	5,046	22,556	183,092
Additions at cost	5,571	-	-	5,571
Capital expenditure	650	-	739	1,389
Valuation movement	65	15	(1,060)	(980)
Movement in tenant lease incentives	(91)	-	-	(91)
Valuation at 31 December 2025	**161,685**	**5,061**	**22,235**	**188,981**

(b) Freehold and right of use properties - car park activities

	Freehold £000	Right of use asset £000	**Total £000**
Book Value at 1 July 2024	26,600	31,403	58,003
Disposals	-	(2,098)	(2,098)
IFRS16 adjustment	-	(95)	(95)
Depreciation	(287)	(1,164)	(1,451)
Valuation movement	(656)	-	(656)
Other movements - lease reassessments	-	1,464	1,464
Impairment	(1,107)	(1,590)	(2,697)
Book Value at 1 July 2025	24,550	27,920	52,470
IFRS16 adjustment	-	(78)	(78)
Additions	-	822	822
Depreciation	(133)	(566)	(699)
Valuation movement recognised in Other Comprehensive Income	(337)	-	(337)
(Impairment)/reversal of impairment	(1,240)	361	(879)
Book Value at 31 December 2025	**22,840**	**28,459**	**51,299**

The historical cost of freehold properties and right-of-use assets relating to car park activities is £30,153,000 (2023: £30,153,000).

(c) Freehold properties - hotel operations

	Freehold £000
Valuation at 30 June 2024	9,900
Depreciation	(242)
Valuation movement	542
Valuation at 1 July 2025	10,200
Depreciation	(121)
Valuation movement	(579)
Valuation at 31 December 2025	**9,500**

The fair value of the Group's investment and development properties, freehold car parks, hotel operations and assets held for sale have been determined principally by independent, appropriately qualified external valuers Colliers and CBRE at 31 December 2025 and at prior dates by CBRE and Jones Lang LaSalle. The remainder of the portfolio has been valued by the Directors.

Valuations are performed bi-annually and are performed consistently across the Group's whole portfolio of properties. At each reporting date appropriately qualified employees verify all significant inputs and review computational outputs. The external valuers submit and present summary reports to the Property Director and the Board on the outcome of each valuation round.

Valuations take into account tenure, lease terms and structural condition. The inputs underlying the valuations include market rents or business profitability, incentives offered to tenants, forecast growth rates, market yields and discount rates and selling costs including stamp duty.

The development properties principally comprise land in Leeds and Manchester. These have also been valued by appropriately qualified external valuers CBRE, taking into account an assessment of their realisable value in their existing state and condition based on market evidence of comparable transactions and residual value calculations.

Leasehold (right-of-use) car park properties are accounted for using the cost model including an assessment of the future value of the minimum lease payments and are amortised on a straight line basis over the remaining term of the lease or useful economic live if deemed to be shorter.

Property income, values and yields have been set out by category in the table below.

	Passing rent £'000	ERV £'000	Value £000	Initial yield %	Reversionary yield %
Retail and leisure	772	1,943	23,771	3.1	7.7
Merrion Centre (excluding offices)	4,947	5,137	50,450	9.3	9.6
Offices	3,232	4,290	42,140	6.9	8.1
Hotels	900	900	9,500	9.0	9.0
Out of town retail	1,054	1,345	13,125	7.6	9.7
Residential	1,569	1,846	34,450	4.3	5.1
	12,474	15,461	173,436	6.7	8.1
Development property			22,235		
Car parks			32,967		
IFRS16 adjustment - right-of-use assets			21,142		
			249,780		

Investment properties (freehold and right of use) and hotel operations

The effect on valuation (excluding development property and car parks) of applying a different yield and a different ERV would be as follows:
Valuation at an initial yield of 5.8% - £203.3m, Valuation at 7.8% - £151.2m
Valuation at a reversionary yield of 7.4% - £196.8m, Valuation at 9.4% - £155.0m

Investment properties (development properties)

The key unobservable inputs in the valuation of one of the Group's development properties of £16.4m is the assumed per acre or per unit land value. The effect on the development property valuation of applying a different assumed per acre or per unit land value would be as follows:

Valuation in the Consolidated Financial Statements if a 5% increase in the per acre or per unit value - £17.2m, 5% decrease in the per acre or per unit value - £15.6m.

The other key development property in the Group is valued on a per acre development land value basis, the effect on the development property valuation of applying reasonable sensitivities would not create a material impact.

Freehold car park activities

The effect on the total valuation of the Group's freehold car park properties of £22.8m in applying a different yield/discount rate would be as follows:

Valuation in the Consolidated Financial Statements based on a 1% decrease in the yield/discount rate - valuation increase to £26.9m, 1% increase in the yield/discount rate - valuation decrease to £19.8m

Property valuations can be reconciled to the carrying value of the properties in the balance sheet as follows:

	Investment properties £000	Freehold and right of use Properties £000	Hotel operations £000	Total £000
Externally valued by CBRE	121,645	5,490	-	127,135
Externally valued by Colliers	58,200	17,350	9,500	85,050
Investment properties valued by the Directors	7,820	-	-	7,820
Properties held at valuation	187,665	22,840	9,500	220,005
IFRS 16 right-of-use assets held at depreciated cost	1,316	28,459	-	29,775
	188,981	**51,299**	**9,500**	**249,780**

All investment properties, freehold properties held in property plant and equipment, hotel operations and assets held for sale are measured at fair value in the consolidated balance sheet and are categorised as level 3 in the fair value hierarchy as defined in IFRS13 as one or more inputs to the valuation are partly based on unobservable market data. In arriving at their valuation for each property (as in prior years) both the independent external valuers and the Directors have used the actual rent passing and have also formed an opinion as to the two significant unobservable inputs being the market rental for that property and the yield (i.e. the discount rate) which a potential purchaser would apply in arriving at the market value. Both these inputs are arrived at using market comparables for the type, location and condition of the property.

(d) Fixtures, equipment and motor vehicles

	Cost £000	Accumulated depreciation £000	Net book value £000

At 1 July 2024	6,095	4,649	1,446
Additions	645	-	645
Disposals	(135)	(59)	(76)
Depreciation	-	402	(402)
At 1 July 2025	6,605	4,992	1,613
Additions	196	-	196
Depreciation	-	286	(286)
At 31 December 2025	**6,801**	**5,278**	**1,523**

8. Goodwill and intangible assets

	Six months ended 31 December 2025 £000	Six months ended 31 December 2024 £000	Year ended 30 June 2025 £000
Goodwill			
At start of the period	**2,096**	2,868	2,868
Impairment	**-**	-	(772)
	2,096	2,868	2,096
Intangible assets			
At start of period	**334**	24	24
Additions	**-**	486	496
Amortisation	**(83)**	(65)	(186)
	251	445	334
Total goodwill and intangible assets	**2,347**	3,313	2,430

Goodwill represents the difference between the fair value of the consideration paid on the acquisitions of car park businesses and the fair value of the assets and liabilities acquired as part of these business combinations.

Intangible assets represent short term customer contracts relating to car park enforcement businesses acquired in the periods.

9. Investments in joint ventures

	Six months ended 31 December 2025 £000	Six months ended 31 December 2024 £000	Year Ended 30 June 2025 £000
Interest in joint ventures			
At start of period	**5,636**	4,752	4,752
Share of profits after tax	**542**	522	1,057
Distributions	**(87)**	(86)	(173)
At end of period	**6,091**	5,188	5,636

Investments in joint ventures relates to the Group's interest in the partnership capital of Merrion House LLP. The investment property held within this joint venture has been externally valued at each reporting date.

10. Investments

	31 December 2025 £000	31 December 2024 £000	30 June 2025 £000
Non-Current Assets			
Listed investments	**2,528**	2,950	2,599
Non-listed investments	**4,429**	660	660
	6,957	3,610	3,259

Listed investments

	31 December 2025 £000	31 December 2024 £000	30 June 2025 £000
At start of the period	**2,599**	3,305	3,305
Decrease in value of investments	**(71)**	(355)	(706)
At the end of the period	**2,528**	2,950	2,599

Listed investments relate to an equity shareholding in a company listed on the London Stock Exchange. This is stated at market value in the table above and has a historic cost of £875,482 (2023: £875,482).

Listed investments are measured at fair value in the consolidated balance sheet and are categorised as level 1 in the fair value hierarchy as defined in IFRS 13 as the inputs to the valuation are based on quoted market prices.

The maximum risk exposure at the reporting date is the fair value of the other investments.

Non-listed investments

	31 December 2025 £000	31 December 2024 £000	30 June 2024 £000
At the start and end of the year	**660**	660	660
Additions	**3,769**	-	-
	4,429	660	660

Loan Notes - Deferred Consideration

	31 December 2025 £000	31 December 2024 £000	30 June 2025 £000
Current assets			
At the start of the year	**-**	3,177	3,177
Transferred from non-current assets	**-**	-	
Loan interest	**-**	14	5
Expenses	**-**	(87)	(87)
Loan notes repaid to the Company in the period	**-**	(3,104)	(3,095)
	-	-	-

The interest earned on the deferred consideration loan notes was 5% per annum.

The deferred consideration loan notes are accounted for using the amortised cost basis and are assessed for impairment under the IFRS 9 expected credit loss model.

11. Financial liabilities

	31 December 2025 £000	31 December 2024 Restated £000	30 June 2025 £000
Current			
Bank borrowings - revolving credit facilities	**6,425**	2,444	11,098
Lease liabilities	**2,092**	1,427	1,522
	8,517	3,871	12,620
Non-Current			
Bank borrowings - revolving credit facilities	**18,081**	11,023	2,424
Bank borrowings - single asset facility	**14,126**	14,203	14,164
Lease liabilities	**27,831**	27,029	27,970
5.375% First mortgage debenture stock	**82,353**	82,341	82,347
	142,391	134,596	126,905
	150,908	138,467	139,525

Fair value of current borrowings

The fair value of bank borrowings and overdrafts approximates to their carrying value.

Fair value of non-current borrowings

	31 December 2025		31 December 2024		30 June 2025	
	Book value £000	**Fair value £000**	Book value £000	Fair value £000	Book value £000	Fair value £000
Debenture stock	**82,353**	**69,406**	82,341	70,935	82,347	68,669
Revolving credit facilities	**24,506**	**24,506**	13,467	13,467	13,522	13,522
Single asset facility	**14,126**	**12,734**	14,203	12,418	14,164	12,476

12. Deferred tax assets and liabilities

	31 December 2025 £000	31 December 2024 Restated £000	30 June 2025 £000
Assets			
Carried forward losses	**253**	1,060	718
Leases	**7,480**	7,114	7,373
	7,733	8,174	8,091
Liabilities			
Leases	**5,286**	4,985	5,223
Investment property revaluation gains	**2,478**	2,461	1,929
	7,764	7,446	7,152
Net deferred tax (liability)/asset	**(31)**	728	939

The Company left the REIT regime with effect from 1 July 2023, therefore the profits of the Company are now subject to corporation tax. This has resulted in the recognition of a deferred tax asset, primarily relating to trading losses from previous periods that are available to offset taxation on future profits.

The Company also has various non-trading losses from previous periods, however these have not been recognised within the deferred tax asset as it is not certain when these will be available to offset further profits. The total value of losses not included within the deferred tax asset is £1,328,000. In addition the Group has uncrystalised capital losses of £36,216,000 on investment property and car park valuation losses that have not been recognised.

The movement in the total net deferred tax balance as at 31 December 2025 includes the charge to the income statement of £1,028,000 plus the reduction in deferred tax liabilities arising in the period on revaluation gains recognised in the consolidated condensed statement of comprehensive income of £58,000.

13. Called up equity share capital

Authorised

164,879,000 (30 June 2025: 164,879,000) ordinary shares of 25p each.

Issued and fully paid up	Number of shares 000	Nominal value £000
At 1 July 2025	42,163	10,540
Purchase and cancellation of own shares	-	-
At 31 December 2025	**42,163**	**10,540**

14. Cash flows from operating activities

	Six months ended 31 December 2025 £000	Six months ended 31 December 2024 Restated £000	Year ended 30 June 2025 £000
(Loss)/profit for the period before taxation	**(325)**	3,557	(1,065)
Depreciation	**1,106**	1,050	2,095
Amortisation	**83**	65	186
Profit on disposal of fixed assets	**-**	-	(55)
Profit on disposal of freehold and leasehold property	**-**	(1,762)	(1,762)
Loss on sale of investments	**-**	87	87
Finance costs	**3,851**	3,694	7,423
Finance income	**-**	(17)	(18)
Share of joint venture profits after tax	**(542)**	(522)	(1,057)
Movement in revaluation of investment properties	**980**	1,146	2,214
Movement in lease incentives	**91**	55	(147)
Impairment/(reversal of impairment) of car parking assets	**879**	(627)	2,697
Impairment of goodwill	**-**	-	772
(Increase)/decrease in receivables	**(792)**	24	193
Increase/(decrease) in payables	**1,371**	(663)	(2,092)
Cash generated from operations	**6,701**	6,087	9,471

15. Net asset value per share

Net asset value per share is calculated as the net assets of the Group attributable to shareholders at each balance sheet date, divided by the number of shares in issue at that date.

	Six months ended 31 December 2025	Six months ended 31 December 2024 Restated	Year ended 30 June 2025
Net asset value (£'000)	**108,947**	117,989	112,302
Number of ordinary shares in issue (000)	**42,163**	42,163	42,163
Net asset value per share (pence)	**258p**	280p	266p

16. Related party information

The only related party transactions that have taken place during the period relate to the remuneration of the Executive Directors and other members of the concert party, who are the key management personnel of the Group. Dividends paid to the Directors and their family members are also related party transactions although there were no dividends paid in the period.

	Six months ended 31 December 2025 £000	Six months ended 31 December 2024 £000	Year ended 30 June 2025 £000
Short-term employee benefits	**1,002**	1,226	2,205
Post-employment benefits	**50**	48	97
Sale of Motor Vehicle to Executive Director	**-**	-	78
Dividends paid to the Ziff Concert Party	**-**	-	599
	1,052	1,274	2,979

The Ziff Concert Party includes Edward Ziff, Ben Ziff (Executive Directors) and Michael Ziff (Non Executive Director) together with their immediate family members, their sister and a number of trusts that Edward Ziff and Michael Ziff are not beneficiaries of but they do control.

17. Restatement of prior year figures

As reported in the financial statements for the year ended 30 June 2025, the Directors identified that one of the Group's accounting policies was not applied correctly. For this reason prior year figures have been restated and the details are summarised below:

1) **Adjustment of right of use lease liabilities following the settlement of index linked rent reviews** `

The Group operates a number of car parks from leasehold properties (right of use assets) under index-linked lease agreements. Under the relevant accounting standards the lease liabilities associated with these car parks should be updated every time a rent review is settled, a corresponding adjustment to the right of use asset should also be recognised and then assessed for any impairment. The prior year comparatives have been restated to:

- Recognise an increase to lease liabilities of £3,365,000 at 31 December 2024.
- Recognise an increase to right of use assets of £1,180,000 as at 31 December 2024.
- Recognise a reduction in retained earnings of £1,639,000 as at 31 December 2024.
- Recognise an increase in the profit on disposal of freehold and leasehold properties of £739,000 in the period ended 31 December 2024.
- Recognise a taxation credit of £546,000 resulting from the adjustments brought forward at 30 June 2024 and the further adjustments recognised in the six months ended 31 December 2024 within the Consolidated income statement for the six months ended 31 December 2024.
- Recognise the impact on cashflow statement line items.

The impact on the balance sheet as at 31 December 2024 is as follows:

	2024 Previously reported £000	Adjustments £000	2024 Restated £000
Non-current assets			
Property rental			
Investment properties	183,087	-	183,087
Investments in joint ventures	5,188	-	5,188
	188,275	-	188,275
Car park activities			
Freehold and right of use properties	53,752	1,180	54,932
Goodwill and intangible assets	3,313	-	3,313
	57,065	1,180	58,245
Hotel operations			
Freehold properties	10,300	-	10,300
	10,300	-	10,300
Fixtures, equipment and motor vehicles	1,430	-	1,430
Investments	3,610	-	3,610
Deferred tax assets	182	546	728
Total non-current assets	260,862	1,726	262,588
Current assets			
Trade and other receivables	3,972	-	3,972
Cash and cash equivalents	24,790	-	24,790
Total current assets	28,762	-	28,762
Total assets	289,624	1,726	291,350
Current liabilities			
Trade and other payables	(12,715)	-	(12,715)
Bank overdrafts	(22,179)	-	(22,179)
Financial liabilities	(3,871)	-	(3,871)

Total current liabilities	(38,765)	-	(38,765)
Non-current liabilities			
Financial liabilities	(131,231)	(3,365)	(134,596)
Total non-current liabilities	(131,231)	(3,365)	(134,596)
Total liabilities	(169,996)	(3,365)	(173,361)
Net assets	119,628	(1,639)	117,989
Equity attributable to owners of the Parent			
Called up share capital	10,540	-	10,540
Share premium account	200	-	200
Capital redemption reserve	3,309	-	3,309
Revaluation reserve	4,095	-	4,095
Retained earnings	101,484	(1,639)	99,845
Total equity	119,628	(1,639)	117,989

The impact on the income statement is as follows:

	2024 Previously reported £000	Adjustments £000	2024 Restated £000
Gross revenue (excl. service charge income)	15,153	-	15,153
Service charge income	1,496	-	1,496
Gross revenue	16,649	-	16,649
Service charge expenses	(2,163)	-	(2,163)
Property expenses	(6,327)	-	(6,327)
Net revenue	8,159	-	8,159
Administrative expenses	(4,039)	-	(4,039)
Other income	1,436	-	1,436
Reversal of impairment of car parking assets	627	-	627
Valuation movement on investment properties	(1,146)	-	(1,146)
Profit on disposal of freehold and leasehold properties	1,023	739	1,762
Loss on disposal of investments	(87)	-	(87)
Share of post-tax profits from joint ventures	522	-	522
Operating profit	6,495	739	7,234
Finance costs	(3,694)	-	(3,694)
Finance income	17	-	17
Profit before taxation	2,818	739	3,557
Taxation	(2,383)	(185)	(2,568)
Profit for the period	435	554	989

The impact on the cash flow statement is as follows:

	2024 Previously reported £000	Adjustments £000	2024 Restated £000
Profit for the period before taxation	2,818	739	3,557
Depreciation	1,050	-	1,050
Amortisation	65	-	65
Profit on disposal of freehold and leasehold property	(1,023)	(739)	(1,762)
Loss on sale of investments	87	-	87
Finance costs	3,694	-	3,694
Finance income	(17)	-	(17)
Share of joint venture profits after tax	(522)	-	(522)
Movement in revaluation of investment properties	1,146	-	1,146
Movement in lease incentives	55	-	55
Reversal of impairment of car parking assets	(627)	-	(627)
Decrease in receivables	24	-	24
Decrease in payables	(663)	-	(663)
Cash generated from operations	6,087	-	6,087

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