

Directors' responsibilities

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101, 'Reduced Disclosure Framework', and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Corporate governance section of the Annual Report, confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group;

- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

The financial statements on pages 159 to 198 were approved by the Board of Directors on 24 February 2026 and signed on its behalf by:

Ian Hawksworth
Chief Executive

Situl Jobanputra
Chief Financial Officer

24 February 2026

Independent auditors' report to the members of Shaftesbury Capital PLC

Report on the audit of the financial statements

Opinion

In our opinion:

- Shaftesbury Capital PLC's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Consolidated balance sheet as at 31 December 2025;
- the Shaftesbury Capital PLC Company balance sheet as at 31 December 2025;
- the Consolidated income statement for the year then ended;
- the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated statement of changes in equity for the year then ended;
- the Shaftesbury Capital PLC Company statement of changes in equity for the year then ended;
- the Consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 5, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope	• We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. • The Group's investment properties are held within a variety of subsidiary entities. The Group financial statements consolidate the Company and its subsidiaries and equity account for the Group's joint venture. Due to the homogeneity of financial information and processes, the Group audit team conducted all work, with supplementary procedures performed at the Group level. These included audit procedures over the consolidation and consolidation adjustments, ensuring sufficient coverage and appropriate audit evidence for our opinion on the Group's financial statements as a whole.
Key audit matters	• Valuation of investment property (Group) • Valuation of investments in Group companies (Company)
Materiality	• Overall Group materiality: £58.8 million (2024: £52.3 million) based on 1 per cent of total assets. • Overall Company materiality: £39.7 million (2024: £36.6 million) based on 1 per cent of total assets. • Performance materiality: £44.1 million (2024: £39.2 million) (Group) and £29.8 million (2024: £27.4 million) (Company).

Independent auditors' report *continued*

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

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

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter

Valuation of investment property (Group)

Refer to the Audit Committee report and notes 1, 6, and 12 of the financial statements. The valuation of the Group's investment property is the key component of the Group's net asset value.

The Group's assets principally comprise investment property within the West End of London, including Covent Garden, Carnaby, Soho and Chinatown.

The result of the revaluation this year was a gain of £322.7 million (2024: £202.9 million loss) as set out in notes 6 and 12 and is accounted for within 'Gain on revaluation and sale of investment property' in the Consolidated income statement.

The Group engages third party real estate valuation experts ('third party valuers') to support them with determining the fair value of the Group's properties. These valuers were engaged to perform valuations in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation - Professional Standards.

The Group's property portfolio comprises mixed use investment property (including retail, food and beverage, office and residential) in London's West End, and these properties are not uniform in nature. There are a number of different assumptions made by the Group's third-party valuers, CBRE, Cushman & Wakefield, and JLL for the Lillie Square joint venture in determining fair value.

The assumptions on which the property values are based are influenced by tenancy details, market yields and the estimated rental values for each property. Macroeconomic factors and prevailing property market conditions also impact the valuation of investment property, which are particularly subjective in the current macroeconomic environment.

Accordingly we identified this area as a key audit matter. The focus of our work was on the Investment property financial statement line item, but we also perform similar procedures over property assets held as owner occupied and within the Lillie Square joint venture.

How our audit addressed the key audit matter

Given the inherent subjectivity involved in the valuation of investment properties, and therefore the need for deep market knowledge when determining the most appropriate assumptions, and the technicalities of the valuation methodology, we engaged our internal valuation experts to assist us in our audit of this matter.

Assessing the third-party valuers' expertise and objectivity

We assessed the competence and capabilities of the valuers and verified their qualifications. The valuers are reputable and established real estate valuation firms. We also assessed their independence by discussing the scope of their work and reviewing the terms of their engagement for unusual terms or fee arrangements.

We engaged our own auditors' real estate valuation experts who are qualified chartered surveyors with relevant market knowledge to support our audit procedures. This included reading the external valuation reports prepared by CBRE, Cushman & Wakefield, and the other valuer engaged to undertake the property valuation for the Group's Lillie Square joint venture. Our auditor's experts also attended meetings with the third-party valuers to discuss and challenge assumptions applied, supporting the audit team with identifying where additional audit evidence was required. Our auditor's experts also confirmed that the valuation approaches applied by the third-party valuers were in accordance with the RICS standards and in accordance with IFRS 13, and therefore suitable for use in determining the fair value of investment property for the purpose of the financial statements.

Data provided to the third party valuers

For investment properties the key data that management provides to the third-party valuers is tenancy schedules. These contain details for each property, including leases, rental income and break clauses. We tested a sample of this data to ensure it was complete and accurate.

Testing the valuation assumptions and capital movement

With the assistance of our own valuation experts, we met with the third-party valuers independently of management and gained an understanding of the valuation methods and assumptions used. The nature of assumptions used varied across the portfolio depending on the nature of each property, but they included investment yields and estimated rental values and also factored in void rates and rent free periods. We utilised independent sources of information to develop our own ranges of the expected yields and capital value movements for the properties in the portfolio, based on their individual uses and locations.

Independent auditors' report *continued*

Key audit matter

Valuation of investment property (Group) *continued*

How our audit addressed the key audit matter

We focused on the Group's largest properties and any outliers, and made specific enquiries to the third-party valuers where the movements in capital values or yields were out of line with our range of assumptions developed using externally published market data.

We evaluated whether, based on these procedures together with our experience of this sector, the estimate or assumptions applied were reasonable. We considered the reasonableness of assumptions that are not so readily comparable with published benchmarks, in particular ERV where, for a sample of individual properties, we specifically challenged the third-party valuers to support their individual ERV assumptions with reference to available evidence and in the context of the impact of macroeconomic uncertainties and trends.

With the support of our internal valuation experts, we also questioned the Valuers as to the extent to which yields and expected rental values used in deriving their valuations took into account the impact of climate change and related ESG considerations.

Overall outcome

We have no matters to report in respect of our work over the valuation of investment property.

Valuation of investments in Group companies (Company)

Refer to note II of the Company financial statements. The Company holds investments in Group companies, after impairment, of £3,654.3 million (2024: £2,129.4 million).

The impairment assessment of the Company's investments in subsidiaries is performed on an annual basis. Investments in Group companies are assessed for impairment in line with International Accounting Standard 36 (Impairment of Assets).

Given the inherent judgement and complexity in assessing the carrying value of a subsidiary company, this was identified as a key audit matter.

We assessed the accounting policy for investments in Group companies to ensure it was compliant with FRS 101 "Reduced Disclosure Framework".

We obtained management's impairment assessments for the recoverability of investments in Group companies as at 31 December 2025. We verified that the methodology used by management in arriving at the carrying value of each subsidiary was compliant with applicable accounting standards. We identified the key estimate within the assessment for impairment of the investments in Group companies to be the underlying valuation of investment property held by the subsidiaries. For details of our procedures over investment property valuations please refer to the related Group key audit matter above.

Overall outcome

We have no matters to report in respect of our work over the valuation of investments in Group companies.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group's properties are spread across a number of statutory entities, with the Group financial statements being a consolidation of these entities, the Company and equity accounting for the Group's joint venture. All work was carried out by the Group audit team. In establishing the overall approach to our audit, we assessed the risk of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements. Due to the homogeneity of financial information and processes, the Group audit team conducted all work, with supplementary procedures performed at the Group level. These included audit procedures over the consolidation and consolidation adjustments, ensuring sufficient coverage and

appropriate audit evidence for our opinion on the Group's financial statements as a whole.

In respect of the audit of the company, the Group audit team performed a full scope statutory audit.

The impact of climate risk on our audit

In planning our audit, we made enquiries with management to understand the extent of the potential impact of climate change risk on the financial statements. Our evaluation of this conclusion included challenging key judgements and estimates in areas where we considered that there was greatest potential for climate change impact. We particularly considered how climate change risks would impact the assumptions made in the valuation of investment property as explained in our key audit matter above. We also considered the consistency of the disclosures in relation to climate change made within the Annual Report, the financial statements and the knowledge obtained from our audit. We assessed the consideration of the cost of delivering the Group's climate change and sustainability strategy within the going concern and viability forecasts.

Independent auditors' report *continued*

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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

	Financial statements – Group	Financial statements – Company
Overall materiality	£58.8 million (2024: £52.3 million).	£39.7 million (2024: £36.6 million).
How we determined it	1 per cent of total assets	1 per cent of total assets
Rationale for benchmark applied	The primary measurement attribute of the Group is the carrying value of investment property. On this basis, we set an overall Group materiality level based on total assets.	The primary measurement attribute of the Company is the carrying value of investments in Group companies. On this basis, we set an overall Company materiality level based on total assets.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £44.1 million (2024: £39.2 million) for the Group financial statements and £29.8 million (2024: £27.4 million) for the Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £2.9 million (Group audit) (2024: £2.6 million) and £2.0 million (Company audit) (2024: £1.8 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

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

- Obtaining management's analysis of the going concern of the Group and Company and supporting cash flow forecasts and covenant compliance calculations. Management prepared forecasts for a base case, severe but plausible downside case, and undertook reverse stress testing;
- Understanding and assessing the reasonableness of the key assumptions used in the cash flow forecasts, including assessing whether we considered the downside sensitivities to be appropriately severe, the availability of committed finance and covenant compliance during the forecast period;
- Corroborating key assumptions in the cash flow forecasts to other evidence including external research and historical performance, and ensuring this was consistent with our audit work in these and other areas;
- Evaluating the audit evidence we obtained and assessing whether management's conclusions were supportable; and
- Reviewing the disclosures in the financial statements relating to the going concern basis of preparation and evaluating whether these provided an explanation of the Directors' assessment that was consistent with the audit evidence we obtained.

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

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

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

Independent auditors' report *continued*

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the Directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially

consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The Directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- The Directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the Directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Independent auditors' report *continued*

Responsibilities for the financial statements and the audit

Responsibilities of Directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Real Estate Investment Trust (REIT) status Part 12 of the Corporation Tax Act 2010 and UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to increase revenue, and management bias in accounting estimates and judgemental areas of the financial statements particularly in relation to the estimation of the fair value of investment property. Audit procedures performed by the engagement team included:

- Enquiries with management and parties outside of the finance function, including the Group's internal auditors, regarding any known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding management's internal controls designed to prevent and detect irregularities;
- Review of tax compliance with the involvement of our tax specialists in the audit;
- Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the valuation of investment property (see key audit matters set out earlier in this report);
- Identifying and testing journals entries, in particular any journal entries posted to revenue with unusual account combinations; and
- Reviewing relevant minutes of meetings, including those of the Board and Audit Committee.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report *continued*

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the Company for the financial year ended 31 December 2010. Our uninterrupted engagement covers 16 financial years.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Saira Choudhry (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

24 February 2026

Consolidated income statement

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
Revenue	4	238.9	227.1
Costs	4	(61.2)	(60.0)
Gross profit	4	177.7	167.1
Other income		3.0	-
Administration expenses	5	(50.2)	(42.7)
Gain on revaluation and sale of investment property	6	321.8	194.6
Change in value of investments and other receivables	7	(6.5)	(7.0)
Operating profit		445.8	312.0
Finance income	8	20.5	14.8
Finance costs	9	(63.8)	(72.0)
Other finance income	8	4.0	4.5
Other finance costs	9	(9.7)	(6.5)
Change in fair value of derivative financial instruments	16	(3.0)	(0.9)
Net finance costs		(52.0)	(60.1)
Net profit from joint ventures and associates	14	-	0.5
Loss on sale of investments and subsidiaries	15	(6.7)	-
Profit before tax		387.1	252.4
Taxation	10	0.3	(0.3)
Profit for the year		387.4	252.1
Profit attributable to:			
Owners of the Parent		340.2	252.1
Non-controlling interest	15	47.2	-
Earnings per share attributable to owners of the Parent:			
Basic earnings per share	3	18.7p	13.8p
Dilutive earnings per share	3	18.5p	13.8p

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
Profit for the year		387.4	252.1
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss:</i>			
Revaluation gain/(loss) on owner-occupied property	13	0.6	(0.1)
Total comprehensive income for the year		388.0	252.0
Total comprehensive income attributable to:			
Owners of the Parent		340.8	252.0
Non-controlling interest	15	47.2	-

Consolidated balance sheet

As at 31 December 2025

	Note	2025 £m	2024 £m
Non-current assets			
Investment property	12	5,337.3	4,899.1
Property, plant and equipment	13	25.2	25.5
Trade and other receivables	17	113.8	139.7
		5,476.3	5,064.3
Current assets			
Trade and other receivables	17	41.3	30.4
Derivative financial instruments	16	1.6	3.4
Tax receivable		0.3	-
Cash and cash equivalents	18	361.4	124.0
		404.6	157.8
Assets held for sale			
Investment property held for sale	12	-	9.8
		-	9.8
Total assets		5,880.9	5,231.9
Non-current liabilities			
Borrowings	20	(772.4)	(1,467.8)
Lease liabilities	21	(2.3)	(2.7)
Derivative financial instruments	16	-	(1.8)
		(774.7)	(1,472.3)

	Note	2025 £m	2024 £m
Current liabilities			
Borrowings	20	(438.4)	-
Lease liabilities	21	(0.3)	(0.3)
Tax liabilities		-	(0.2)
Derivative financial instruments	16	(1.3)	-
Trade and other payables	19	(98.1)	(84.8)
		(538.1)	(85.3)
Total liabilities		(1,312.8)	(1,557.6)
Net assets		4,568.1	3,674.3
Equity			
Share capital	25	488.2	488.2
Other components of equity		3,466.0	3,186.1
Equity attributable to owners of the Parent		3,954.2	3,674.3
Non-controlling interest	15	613.9	-
Total equity		4,568.1	3,674.3

These consolidated financial statements on pages 159 to 193 have been approved for issue by the Board of Directors on 24 February 2026 and signed on its behalf by:

Ian Hawksworth

Chief Executive

Situl Jobanputra

Chief Financial Officer

Consolidated statement of changes in equity

For the year ended 31 December 2025

	Note	Share capital £m	Share premium £m	Own shares ¹ £m	Capital redemption reserve £m	Merger reserve ² £m	Share-based payments reserve £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
At 1 January 2024		488.2	232.5	(32.9)	1.5	1,256.0	1.3	(0.3)	1,533.9	3,480.2	-	3,480.2
Profit for the year		-	-	-	-	-	-	-	252.1	252.1	-	252.1
Other comprehensive expense for the year		-	-	-	-	-	-	-	(0.1)	(0.1)	-	(0.1)
Total comprehensive income for the year		-	-	-	-	-	-	-	252.0	252.0	-	252.0
Dividends ³	11	-	-	-	-	-	-	-	(61.1)	(61.1)	-	(61.1)
Fair value of share-based payments	30	-	-	-	-	-	3.1	-	-	3.1	-	3.1
Realisation of cash flow hedge		-	-	-	-	-	-	0.1	-	0.1	-	0.1
Balance at 31 December 2024		488.2	232.5	(32.9)	1.5	1,256.0	4.4	(0.2)	1,724.8	3,674.3	-	3,674.3
Profit for the year		-	-	-	-	-	-	-	340.2	340.2	47.2	387.4
Other comprehensive income for the year		-	-	-	-	-	-	-	0.6	0.6	-	0.6
Total comprehensive income for the year		-	-	-	-	-	-	-	340.8	340.8	47.2	388.0
Contribution from non-controlling interest	15	-	-	-	-	-	-	-	-	-	574.6	574.6
Dividends ³	11	-	-	-	-	-	-	-	(67.5)	(67.5)	(7.9)	(75.4)
Fair value of share-based payments	30	-	-	-	-	-	6.5	-	-	6.5	-	6.5
Realisation of cash flow hedge		-	-	-	-	-	-	0.1	-	0.1	-	0.1
Balance at 31 December 2025		488.2	232.5	(32.9)	1.5	1,256.0	10.9	(0.1)	1,998.1	3,954.2	613.9	4,568.1

1. Represents the nominal value of 128,350,793 shares issued to a controlled entity, of which 127,008,786 shares are held as collateral for the exchangeable bonds, and 3,146,886 shares held by the Group's Employee Benefit Trust in respect of employee share awards.

2. Represents non-qualifying consideration received following previous share placings and the all-share merger with Shaftesbury PLC in March 2023. The amounts taken to the merger reserve do not currently meet the criteria for qualifying consideration and therefore will not form part of distributable reserves as they form part of linked transactions.

3. Excludes £4.7 million (31 December 2024: £4.3 million) paid to a controlled entity, Capco Investment London (No.7) Scottish Limited Partnership, in respect of 128,350,793 shares, of which 127,008,786 are held as collateral for the exchangeable bonds. The entity has provided an undertaking not to exercise its voting rights in respect of such ordinary shares but has received its dividend, all of which was retained by the Group following calculation of the dividend threshold test as set out in the exchangeable bond conditions.

Consolidated statement of cash flows

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
Cash flows from operating activities			
Cash generated from operations	28	161.2	108.7
Finance costs paid		(65.1)	(72.0)
Interest received		20.3	15.0
Net cash inflow from operating activities		116.4	51.7
Cash flows from investing activities			
Purchase and development of property		(120.4)	(130.4)
Purchase of fixed assets		-	(2.3)
Sale of property		9.4	136.6
Dividends received from associate		-	1.2
Sale of associate		-	82.5
Loans to joint ventures and associate's repayment received		-	15.6
Net cash (outflow)/inflow from investing activities		(111.0)	103.2
Cash flows from financing activities			
Borrowings repaid		(292.4)	(305.0)
Borrowings drawn		25.0	135.0
Gross proceeds from disposal of 25 per cent interest in Group subsidiaries	15	574.0	-
Cash dividends paid to owners of the Parent	11	(66.7)	(61.1)
Cash dividend paid to non-controlling interest	15	(7.9)	-
Net cash inflow/(outflow) from financing activities		232.0	(231.1)
Net movement in cash and cash equivalents		237.4	(76.2)
Cash and cash equivalents at 1 January		124.0	200.2
Cash and cash equivalents at 31 December	18	361.4	124.0

Notes to the financial statements

For the year ended 31 December 2025

1 Principal accounting policies

General information

Shaftesbury Capital PLC (the “Company”) was incorporated and registered in England and Wales and domiciled in the United Kingdom on 3 February 2010 under the Companies Act 2006 as a public company limited by shares, registration number 7145051. The registered office of the Company is Regal House, 14 James Street, London, WC2E 8BU, United Kingdom. The principal activity of the Company is to act as the ultimate parent company of Shaftesbury Capital PLC Group (the “Group”), whose principal activity is the investment and management of property.

The Group’s assets principally comprise investment property within the West End of London, including Covent Garden, Carnaby, Soho and Chinatown.

Basis of preparation

The Group’s consolidated financial statements are prepared in accordance with United Kingdom-adopted international accounting standards (“UK-adopted IFRS” or “IFRS”), and the applicable legal requirements of the Companies Act 2006.

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention as modified for the revaluation of property and derivative financial instruments.

All income, expenses and cash flows are generated from continuing operations and there is no material seasonal impact on the Group’s financial performance.

Going concern

The Directors have considered the appropriateness of adopting the going concern basis in preparing the consolidated financial statements. The Group’s going concern assessment covers the period to 30 June 2027 (the “going concern period”), being at least 12 months from the date of authorisation of these consolidated financial statements.

Our West End portfolio continues to demonstrate its enduring appeal with positive trends in footfall and sales, high occupancy and overall leasing activity levels well ahead of ERV. Occupational demand across all uses is delivering rental income valuation growth. While there continue to be macroeconomic uncertainties and geopolitical risks, our customers continue to recognise the exceptional features of London’s West End.

There is significant headroom against debt covenants and access to significant liquidity.

In preparing the assessment of going concern, the Directors have considered projections of the Group’s liquidity, committed capital expenditure, income, costs, cash flows and debt covenants.

The Directors have assessed a base case and a downside scenario (being a “severe but plausible” scenario).

As at year end, the Group had net debt of £0.8 billion, an EPRA LTV ratio of 17 per cent and Group interest cover of 4.0 times. The Group is projected to have sufficient cash reserves and undrawn facilities to meet debt maturities during the going concern period. Drawn debt is at fixed rates or currently has interest rate protection in place.

The Group’s debt matures between March 2026 and 2037. Debt maturities during the going concern assessment period relate to the £275 million exchangeable bond, and £162.5 million of private placement loan notes, both of which can be repaid through existing cash resources or undrawn facilities of approximately £1.0 billion in both the base case and the downside scenario.

The Group’s financial resources are expected to be sufficient to cover its commitments over the going concern period.

Relative to the Group’s base case forecast, the downside scenario includes the following key assumptions:

- Substantial reduction in forecast rental income due to a combination of extended voids and tenant failures;
- Elevated interest rates in excess of current market expectations; and
- Declines in rental values, along with a widening of valuation yields, resulting in reduced asset values.

The near-term impact of climate change risks within the going concern period has been considered in the downside scenario and is expected to be immaterial.

Under the downside scenario, the Group is expected to remain in compliance with all financial covenants of its debt arrangements.

In addition to considering a downside scenario, the Board has undertaken reverse stress testing, which indicates that the Group could withstand a decrease of approximately 52 per cent in valuations and 49 per cent in income before breaching its debt financial covenants.

Notes to the financial statements *continued*

1 Principal accounting policies *continued*

Going concern *continued*

Based on their analysis, the Directors are satisfied that there is a reasonable expectation that the Group will be able to meet its ongoing and future commitments for at least 12 months from the date of approval of the consolidated financial statements and have therefore resolved that the Group's consolidated financial statements be prepared on a going concern basis.

Critical accounting judgements and key sources of estimation and uncertainty

The preparation of consolidated financial statements in accordance with IFRS requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, equity, income and expenses from sources not readily apparent. Although these estimates and assumptions are based on management's best knowledge of the amount, historical experiences and other factors, actual results ultimately may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period.

The most significant area of estimation uncertainty is in respect of the valuation of the property portfolio where external valuations are obtained.

The fair value of the Group's investment and trading property (trading property included within the Lillie Square joint venture) at 31 December 2025 was determined by independent, appropriately qualified external valuers CBRE and Cushman & Wakefield for the property portfolio under management, and JLL for the Lillie Square joint venture. The valuations conform to the Royal Institution of Chartered Surveyors ("RICS") Valuation Professional Standards.

As various inputs used in the valuation calculations are based on assumptions, property valuations are inherently subjective and subject to a degree of estimation uncertainty. The Group's external valuers have made a number of assumptions including, but not limited to, market yields, ERVs and void periods. These assumptions are in accordance with the RICS Valuation Professional Standards, however, if any prove to be incorrect, it may mean that the value of the Group's properties differs from their valuation reported in the financial statements, which could have a material effect on the Group's financial position. The key unobservable inputs used in the valuation models are those in respect of equivalent yields and ERV, which are summarised within note 12 'Property portfolio' and additional information is provided on page 206. Further information on the approach taken by the valuers in valuing the property portfolio and a sensitivity analysis on equivalent yields and ERV, which are the most significant assumptions impacting the fair values, is set out in note 12 'Property portfolio'.

Other areas of judgement and estimation in the financial statements (which are not considered critical) include accounting for non-controlling interest, REIT compliance, the impairment of and expected credit loss allowance on trade receivables, and share-based payments.

New accounting policies

In the current year, the Group has applied the below amendment to IFRS Standards and Interpretations issued by the International Accounting Standards Board that is effective for annual periods that begin on or after 1 January 2025.

- IAS 21 'The Effects of Changes in Foreign Exchange Rates' (amendment) (Lack of Exchangeability).

The adoption of the above amendment has not had a material impact on the amounts reported in the consolidated financial statements or on the disclosures.

At the date of approval of the consolidated financial statements the following new accounting standards and amendments to accounting standards were in issue but are not yet effective. These new standards and amendments have not been applied in these consolidated financial statements.

- IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' (amendment) (Classification and Measurement of Financial Instruments);
- IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' (amendment) (Contracts Referencing Nature-dependent Electricity);
- IFRS 18 'Presentation and Disclosure in Financial Statements' (new standard).

The amendments to IFRS 9 and IFRS 7 are effective for annual periods beginning on or after 1 January 2026. The Group has assessed the impact of these amendments and does not anticipate any material impact on the consolidated financial statements.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027.

The Group is assessing the impact of this new standard and the Group's financial reporting will be presented in accordance with this standard from 1 January 2027, in line with requirements.

Notes to the financial statements *continued*

1 Principal accounting policies *continued*

Basis of consolidation

These consolidated financial statements include the consolidation of Capital & Counties CGP Limited Partnership. The members of this qualifying partnership have taken advantage of exemptions available in Statutory Instrument 2008/569 and therefore will not produce consolidated financial statements at the partnership level or submit such annual reports to Companies House.

The consolidated financial statements are prepared in British pounds sterling, which is also determined to be the functional currency of the Company.

Subsidiaries

Subsidiaries are fully consolidated from the date on which the Group has control, is exposed or has rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over an entity. Subsidiaries cease to be consolidated from the date this control is lost.

Non-controlling interests are recognised on the basis of their proportionate share in the recognised amounts of a subsidiary's identifiable net assets. On the balance sheet, non-controlling interests are presented separately from the equity of the owners of the Parent. Profit or loss and total comprehensive income for the period attributable to non-controlling interests are presented separately in income and the statement of comprehensive income.

Joint ventures and associates

Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement.

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20 per cent and 50 per cent of the voting rights.

When joint control is no longer demonstrated, but significant influence is, a previously accounted for joint venture is accounted for as an associate.

Investments in joint ventures and associates are accounted for using the equity method. On initial recognition the investment is recognised at cost, and the carrying amount is subsequently increased or decreased to recognise the Group's share of the profit or loss of the joint venture or associate after the date of acquisition. The Group's investments in joint ventures or associates are presented separately on the consolidated balance sheet and the Group's share of the joint ventures or associates' post-tax profit or loss for the period is also presented separately in the consolidated income statement.

Where there is an indication that the Group's investment in a joint venture or associate may be impaired, the Group evaluates the recoverable amount of its investment, being the higher of the joint venture or associate's fair value less costs to sell and value in use. If the recoverable amount is lower than the carrying value an impairment loss is recognised in the consolidated income statement.

If the Group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the Group does not recognise further losses, unless it has legal or constructive obligations to make payments on behalf of the joint venture or associate.

Dividends received or receivable from joint ventures or associates are recognised as a reduction in the carrying amount of the investment.

Where the Group disposes of its entire interest in a joint venture or associate, a gain or loss is recognised in the consolidated income statement on the difference between the amount received on the sale of the joint venture or associate and the carrying value of the investment in joint venture or associate less costs of disposal.

Revenue recognition

Rental receivable arises from operating leases granted to customers and is recognised as revenue on a straight-line basis over the lease term.

Tenant lease incentives, and in certain instances surrender premium payments which are directly linked to new leases, are amortised on a straight-line basis over the non-cancellable period of the lease, being the earlier of its expiry date or the date of the first break option as a reduction in net rental income. Surrender premiums received for early termination of leases are reflected in gross profit.

Lease modifications are accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. On entering into a lease modification any initial direct costs associated with the lease, including surrender premia previously paid, are derecognised through costs in the year.

When a concession is provided for rent receivables past due the concession is accounted for as an impairment through the expected credit loss model in accordance with IFRS 9.

Contingent rents, being those lease payments that are not fixed at the inception of a lease, for example increases arising on rent reviews and turnover rent, are recorded as income in the periods in which they are earned.

Service charge income in the ordinary course of business is recorded as income over time in the year in which the services are provided. As the Group acts as a principal, service charge income and costs are shown gross in the financial statements.

Income taxes

Current tax is the amount payable on the taxable income for the year and any adjustment in respect of prior years. It is calculated using rates that have been enacted or substantially enacted by the balance sheet date.

Notes to the financial statements *continued*

1 Principal accounting policies *continued*

Income taxes *continued*

Deferred tax is provided for using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of those assets and liabilities. However, temporary differences are not recognised to the extent that they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss (except leases); or are associated with investments in subsidiaries, joint ventures and associates where the timing of the reversal of the temporary difference can be controlled by the parent, venture or investor, respectively, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that management believes it is probable that future taxable profit will be available against which the deferred tax assets can be recovered. Deferred tax assets and liabilities are only offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same tax authority on either the same taxable group or different taxable entities where there is an intention to settle balances on a net basis.

Tax is included in the consolidated income statement except when it relates to items recognised directly in equity, in which case the related tax is also recognised directly in equity.

Share-based payments

The Group administers the following share-based remuneration to employees and Directors:

Long-term incentive plan

Long-term incentive awards will only vest and become exercisable upon achievement of performance targets, linked to the Group's total accounting return and total shareholder return, as well as being conditional upon continued employment with the Group. The fair value of the awards is determined using an option pricing model, which applies assumptions around expected yields, forfeiture rates, exercise price and volatility, at the grant date of the awards. Non-market vesting conditions are taken into account by adjusting the number of awards expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of awards that will eventually vest. Market vesting conditions are factored into the fair value of the awards granted. The cumulative expense is not adjusted for failure to meet a market vesting condition.

The cost of granting share options to employees is charged to the consolidated income statement over the vesting period of the awards with a corresponding increase in equity. Employer's National Insurance contributions are payable, on exercise, on the market value of the award and are accrued for within the share-based payments expense in the consolidated income statement.

Upon eventual exercise, a reserves transfer occurs with no further charge reflected in the consolidated income statement.

Deferred shares

Executive Directors' annual bonuses may be deferred in Company shares or nil-cost options for three years under the long-term incentive plan without further performance conditions but subject to risk of forfeiture should an Executive Director leave the Company in certain circumstances. The Group accrues the cost of the non-cash bonus over the relevant period. Employer's National Insurance contributions are payable, on exercise, on the market value of the award and are accrued for within the share-based payments expense in the consolidated income statement.

Upon eventual exercise, a reserves transfer occurs with no further charge reflected in the consolidated income statement.

Own shares held in connection with employee share plans and other share-based payment arrangements are treated as treasury shares and deducted from equity.

Investment property

Investment property is owned or leased by the Group and held for long-term rental income and capital appreciation.

The Group has chosen to use the fair value model. Property and any related obligations are initially recognised when the significant risks and rewards attached to the property have transferred to the Group. Payments made in respect of the future acquisition of investment property are initially recognised as prepayments until the recognition criteria outlined above have been met. Investment property is recorded at cost and subsequently revalued at the balance sheet date to fair value as determined by professionally qualified external valuers on the basis of market value.

The fair value of property is arrived at by adjusting the market value as above for directly attributable tenant lease incentives, deferred letting fees and fixed head leases.

Property held under leases is stated gross of the recognised lease liability.

The valuation is based upon assumptions as outlined within the property portfolio note. These assumptions conform to the RICS Valuation Professional Standards.

When the Group redevelops a property for continued future use, that property is classified as investment property during the redevelopment period and continues to be measured at fair value. Gains or losses arising from changes in the fair value of investment property are recognised in the consolidated income statement in the period in which they arise. Depreciation is not provided in respect of investment property including plant and equipment integral to such investment property.

Notes to the financial statements *continued*

1 Principal accounting policies *continued*

Investment property *continued*

Investment properties cease to be recognised as investment property when they have been disposed of or when they cease to be held for the purpose of generating rental income or for capital appreciation.

Disposals are recognised on completion. Gains or losses arising are recognised in the consolidated income statement. The gain or loss on disposal is determined as the difference between the net sales proceeds and the carrying amount of the asset at the commencement of the accounting period, plus capital expenditure in the period.

When the use of a property changes from trading property to investment property, the property is transferred at fair value with any resulting gain or loss recognised in the consolidated income statement.

Investment property is classified as held for sale when the property has exchanged, though not yet completed. Transfers from investment property to investment property held for sale will occur at market value. The Group will subsequently determine the fair value of the property less costs to sell, and to the extent that the market value of the property exceeds the fair value of the property less costs to sell, an impairment loss will be recognised. Should an uplift occur in valuation in a subsequent period, a gain shall be recognised, however the gain recognised may not exceed the cumulative impairment loss recognised.

Trading property

Trading property comprises those properties that in the Directors' view are not held for long-term rental income or capital appreciation and are expected to be disposed of within one year of the balance sheet date or to be developed with the intention to sell.

Such property is constructed, acquired, or if transferred from investment and development property, transferred at fair value which is deemed to represent cost. Subsequently trading property is carried at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling costs. This approximates market value as determined by professionally qualified external valuers at the balance sheet date. Details of the valuation methodology are set out in note 12 'Property portfolio'.

The amount of any write down of trading property to market value is recognised as an expense in the period the write down occurs. Should a valuation uplift occur in a subsequent period, the amount of any reversal shall be recognised as a reduction in the previous write down in the period in which the uplift occurs. This may not exceed the property's cost. The sale of trading property is recognised as revenue when the buyer obtains control of the property. Total costs incurred in respect of trading property are recognised simultaneously as an expense.

Owner-occupied property

Owner-occupied property comprises property held for use in the production or supply of goods or services or for administrative purposes. Transfers are made from investment property to owner-occupied property when there is a change in use of the property. The property is transferred and subsequently carried at market value, which is determined in the same manner as investment property. Revaluation gains are recognised in equity. A revaluation loss will reverse any previous revaluation gain recorded in equity with the residual recognised in profit or loss.

Leases

The Group assesses whether a contract is or contains a lease at inception of the contract.

Group as a lessee

The Group's leases predominantly relate to head leases in relation to leasehold properties. At the commencement date of the lease, the Group recognises a right-of-use asset equal to the value of the lease liability and direct costs incurred, less any lease incentives received by the Group. The right-of-use asset is recognised within investment property. The lease liability is measured at the present value of lease payments over the lease term. The lease payments include fixed payments and variable lease payments that depend on an index or rate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date when the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments).

The Group's lease liabilities are detailed in note 21 'Lease liabilities'.

Short-term leases and leases of a low value

As a lessee the Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Notes to the financial statements *continued*

1 Principal accounting policies *continued*

Other financial assets

Other financial assets comprise amounts receivable from joint ventures and associates which are classified as financial assets at amortised cost. At initial recognition, the Group measures the financial asset at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment review. The financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Derivative financial instruments

The Group uses non-traded derivative financial instruments to manage exposure to interest rate risk. They are initially recognised on the trade date at fair value and subsequently remeasured at fair value based on market price. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Instruments that have not been designated as qualifying for hedge accounting are classified as fair value through profit and loss. Changes in the fair value of these instruments are split into interest (calculated as the accrued and realised cash flows) and other changes in fair value. Interest is recognised in finance income or costs and changes in fair value are recognised in change in fair value of derivative financial instruments in the consolidated income statement.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost. The methodology for assessment of impairment is defined in the following paragraph.

Impairment of financial assets

The Group applies the IFRS 9 expected credit loss model in order to calculate a lifetime expected loss allowance for all financial assets. To measure the expected credit loss, receivables are reviewed on an individual contract basis. The expected loss rates are based on forward-looking information as well as historical evidence of collection.

For rent receivables, all customers are allocated a risk rating, as determined by management, and provided a rating of maximum, high, medium and low risk. The classification is developed by taking into consideration information on the customer's credit rating, current financial position, historical trading performance, historical default rate and the operational performance of the business. In assessing the provision the Group identifies risk factors associated by sector (retail, food & beverage, office and residential) and the type of rent receivable outstanding (rent arrears, service charge, other). In determining the provision on a customer by customer basis, the Group considers both recent payment history and future

expectations of the customer's ability to pay or possible default in order to recognise an expected credit loss allowance. Based on sector and rent receivable type, a provision is made in addition to a full provision for maximum risk customers or customers with significant financial issues.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the original impairment was recognised, the impairment reversal is recognised in the consolidated income statement on a basis consistent with the original charge.

Tenant lease incentives are impaired based on an assessment of affordability.

For amounts receivable from joint ventures and associates, impairment is assessed by comparing the carrying amount of the loans and receivables to the discounted present value of the estimated future cash flows from the joint ventures and associates.

Cash and cash equivalents

Cash and cash equivalents are recognised at fair value. Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, certain tenant deposits and other short-term highly liquid investments with original maturities of three months or less.

Tenant deposits held against tenants' rent payment obligations in bank accounts administered by the Group are classified as cash and cash equivalents. Tenant deposits held against tenants' rent payment obligations in bank accounts administered by the Group's managing agent are not included within the consolidated balance sheet.

The Group holds cash on deposit as security for certain secured term loans and secured bank facilities, and where there are certain conditions restricting their use. Cash held on deposit which has conditions restricting its use and is not available on demand, liquid or readily convertible, is classified within other receivables.

Borrowings

Borrowings comprise bank loans, secured loan facilities, loan notes and compound financial instruments.

Bank loans, secured loan facilities and loan notes are ordinarily recognised initially at their net proceeds as an approximation of fair value. If the transaction price is not an approximation of fair value at initial recognition, the Group determines the fair value as evidenced by a quoted price in an active market for an identical instrument or based on a valuation technique that uses data from observable markets. Bank loans and loan notes are subsequently carried at amortised cost. Any transaction costs, premiums or discounts are capitalised and recognised over the contractual life of the loan using the effective interest rate method, or on a straight-line basis where it is impractical to do so.

Notes to the financial statements *continued*

1 Principal accounting policies *continued*

Borrowings *continued*

In the event of early repayment, transaction costs, premia or discounts paid and unamortised costs are recognised immediately in the consolidated income statement.

Compound financial instruments issued by the Group comprise exchangeable bonds that are convertible into shares. The exchangeable bonds were bifurcated into a liability and embedded derivative option component on initial recognition. The carrying value of the liability at initial recognition is the difference between the fair value of the entire instrument as a whole and the embedded derivative's fair value. Any directly attributable transaction costs are allocated to each component in proportion to their initial carrying amounts. The issue costs apportioned to the embedded derivative are recognised immediately in the consolidated income statement.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. Any transaction costs apportioned to the liability are included in the carrying amount and recognised over the contractual life of the liability using the effective interest rate method.

When a facility has been modified an assessment of modification and extinguishment is performed reviewing both quantitative and qualitative factors.

Interest related to the financial liability is recognised in the consolidated income statement. The embedded derivative is measured at fair value with the fair value adjustment accounted for in the consolidated income statement.

Trade and other payables

Trade payables are obligations for goods or services acquired in the ordinary course of business. Trade and other payables are recognised at fair value and subsequently measured at amortised cost until settled.

Pensions

The costs of the defined contribution scheme and the Group's personal pension plans are charged against profits or losses in the year in which they are incurred.

Contingent liabilities and capital commitments

Contingent liabilities are disclosed where there are present or possible obligations arising from past events, but the economic impact is uncertain in timing, occurrence or amount. A description of the nature and, where possible, an estimate of the financial effect of contingent liabilities are disclosed.

Capital commitments are disclosed when the Group has a contractual future obligation which has not been provided for at the balance sheet date. Amounts are only provided for where such obligations are onerous.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Own shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

Notes to the financial statements *continued***2 Segmental reporting**

The Group's operating segments are established on the basis of information evaluated and regularly reviewed in decisions on how to allocate resources and assess performance by the chief operating decision maker ("CODM"). IFRS 8 requires operating segments to be reported in a manner consistent with the internal financial reporting reviewed by the CODM. The Group has determined the CODM to be the Executive Committee.

The principal activity of the Group is the investment in property to earn income and generate long-term capital returns. The Group operates primarily within the West End of London.

The performance of the Group is assessed based on the key performance indicators, which are the IFRS, EPRA and underlying performance measures.

Following completion of the long-term partnership with NBIM on 1 April 2025, the Group has reassessed the way it evaluates performance. Effective from 1 April 2025, reporting on the performance of the Covent Garden segment is presented separately to the CODM. As such the Covent Garden segment has become a separate reporting segment from 1 April 2025 with prior year comparatives presented by segment.

For the remainder of the portfolio there has been no change in the way information is reported to the CODM. The allocation of funding and management of overheads and financing continues to be determined at an overall Group level as the Group continues to look to maximise the potential from investment opportunities across the whole of the portfolio and investment opportunities continue to be assessed on a building-by-building basis.

The CODM reviews information on a segmental basis for gross profit and market value of property portfolio only. No other assets or liabilities are monitored by segment.

Gross profit

	2025			2024		
	Covent Garden £m	Other £m	Total £m	Covent Garden £m	Other £m	Total £m
Revenue ¹	108.9	107.4	216.3	102.4	102.6	205.0
Costs ¹	(20.3)	(18.3)	(38.6)	(20.4)	(17.5)	(37.9)
Gross profit per consolidated income statement	88.6	89.1	177.7	82.0	85.1	167.1
Attributable to non-controlling interest	(16.6)	-	(16.6)	-	-	-
Gross profit - Group share	72.0	89.1	161.1	82.0	85.1	167.1

1. Revenue and costs exclude service charge income and expenses of £22.6 million (31 December 2024: £22.1 million).

Market value of property portfolio

	2025			2024		
	Covent Garden £m	Other £m	Total £m	Covent Garden £m	Other £m	Total £m
Market value of property portfolio under management ¹	2,825.5	2,581.6	5,407.1	2,652.7	2,320.8	4,973.5
Attributable to non-controlling interest	(706.4)	-	(706.4)	-	-	-
Market value of property portfolio - Group share	2,119.1	2,581.6	4,700.7	2,652.7	2,320.8	4,973.5

1. Refer to note 12 'Property portfolio' for a reconciliation to the carrying value of the property portfolio as per the consolidated balance sheet.

Notes to the financial statements *continued***3 Performance measures**

The Group has applied the European Securities and Markets Authority guidelines on alternative performance measures (“APMs”) in these annual results. An APM is a financial measure of historical or future financial performance, position or cash flow of the Group which is not a measure defined or specified in IFRS. Details of all APMs used by the Group are set out in the APM section on page 199.

As is usual practice in the sector, the Group presents APMs for certain indicators, including earnings, earnings per share and net tangible assets, making adjustments as set out by EPRA in its Best Practice Recommendations. These recommendations are designed to make the financial statements of public real estate companies more comparable across Europe, enhancing the transparency, comparability and coherency of the sector.

A summary of the number of shares, on a basic and diluted basis, in issue at year end, and on a weighted average basis for the year, is set out in the table below.

Number of shares

	2025 Weighted average million	2025 In issue million	2024 Weighted average million	2024 In issue million
Ordinary shares	1,953.2	1,953.2	1,953.2	1,953.2
Own shares – Employee Benefit Trust	(3.1)	(3.1)	(3.1)	(3.1)
Own shares – exchangeable bonds ¹	(128.4)	(128.4)	(128.4)	(128.4)
Number of shares – basic²	1,821.7	1,821.7	1,821.7	1,821.7
Dilutive effect of contingently issuable share option awards ³	14.2	18.4	5.7	10.0
Dilutive effect of contingently issuable deferred share awards ³	1.5	2.2	0.7	1.6
Number of shares – diluted⁴	1,837.4	1,842.3	1,828.1	1,833.3

1. Includes 127,008,786 shares held as collateral for the exchangeable bonds.

2. Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share.

3. Further information on these potential ordinary shares can be found in note 30 ‘Share-based payments’.

4. Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings and net assets per share.

Earnings per share – IFRS

	2025 £m	2024 £m
Basic earnings attributable to owners of the Parent	340.2	252.1
Basic earnings per share	18.7p	13.8p
Diluted earnings per share	18.5p	13.8p

Headline earnings per share

Headline earnings per share is calculated in accordance with Circular 1/2023 issued by the South African Institute of Chartered Accountants, a requirement of the Group’s Johannesburg Stock Exchange secondary listing. This measure is not a requirement of IFRS.

	2025 £m	2024 £m
Basic earnings attributable to owners of the Parent	340.2	252.1
<i>Group adjustments:</i>		
Loss on sale of associate	–	4.0
Loss on sale of investments and subsidiaries	6.7	–
Gain on revaluation and sale of investment property ¹	(286.1)	(194.6)
Headline earnings	60.8	61.5
Basic and diluted headline earnings per share (pence)	3.3p	3.4p

1. Excludes gain on revaluation of investment property attributable to non-controlling interest of £35.7 million (31 December 2024: nil)

Notes to the financial statements *continued***3 Performance measures *continued***

One of the key performance measures which the Group uses is underlying earnings.

The underlying earnings measure reflects the underlying financial performance of the Group's West End property rental business and is used for the calculation of dividends. The measure aligns with the main principles of EPRA earnings. EPRA earnings excludes valuation movements and profit or loss on disposal of investment properties, fair value changes of financial instruments, cost of early close out of debt, certain allowable non-operating and exceptional items and the amounts allocated to non-controlling interest in respect of these.

The non-operating and exceptional items adjusted for by the Group in the current and prior year include non-recurring corporate and transaction costs. These costs are considered non-recurring as they relate to significant transactions outside the ongoing operations of the Group. Other exceptional items adjusted for include the fair value movements of the option component of the exchangeable bond, and following the completion of the all-share merger in March 2023, the unwinding of the IFRS 3 fair value of debt.

In calculating underlying earnings in both years, additional adjustments are made to exclude the financial performance of the Lillie Square joint venture, associated tax adjustments and the interest receivable on the loan issued to the joint venture by the Group. Lillie Square is not considered to be a core part of the operations of the Group and therefore its results are not included in underlying earnings.

Earnings per share – EPRA and Underlying

	2025 £m	2024 £m
Basic earnings	387.4	252.1
Basic earnings attributable to non-controlling interest	(47.2)	–
Basic earnings attributable to owners of the Parent	340.2	252.1
<i>EPRA Group adjustments:</i>		
Gain on revaluation and sale of investment property ¹	(286.1)	(194.6)
Change in value of investments and other receivables	6.5	7.0
Change in fair value of financial instruments – interest rate derivatives	3.5	6.3
Fair value acceleration and costs associated with early close out of debt	4.1	1.0
Loss on sale of investments and subsidiaries	6.7	–
Loss on sale of associate	–	4.0
<i>EPRA non-operating and exceptional items:</i>		
Non-underlying administration expenses	5.9	3.3
Change in fair value of financial instruments – exchangeable bond option	(0.5)	(5.4)
Other exceptional finance items ²	5.4	5.8
<i>EPRA joint venture and associate adjustments:</i>		
Adjustments in respect of joint ventures and associate	2.9	(4.2)
EPRA earnings	88.6	75.3
EPRA earnings per share (pence)	4.9	4.1
<i>Underlying earnings adjustments:</i>		
Joint ventures adjustment – Lillie Square ³	(6.7)	(2.3)
Underlying earnings	81.9	73.0
Underlying earnings per share (pence)	4.5	4.0

1. Excludes gain on revaluation of investment property attributable to non-controlling interest of £35.7 million (31 December 2024: nil).

2. Other exceptional finance items consists of £4.9 million (31 December 2024: £6.1 million) IFRS 3 fair value of debt unwind, exceptional legal fees and non-underlying finance income of £0.5 million (31 December 2024: £0.3 million offset).

3. The Lillie Square joint venture is not considered part of the core underlying business of the Group and therefore its results are excluded from underlying earnings. The adjustment includes £3.8 million (31 December 2024: £3.8 million) interest receivable by the Group on the interest-bearing loans issued to the joint venture and £2.9 million (31 December 2024: £1.5 million offset) of adjustments made to EPRA earnings for profit on sale and transfer of trading property, loss on revaluation of investment property and write down of trading property.

Notes to the financial statements *continued*

3 Performance measures *continued*

Net assets per share

	2025			2024		
	EPRA NRV £m	EPRA NTA £m	EPRA NDV £m	EPRA NRV £m	EPRA NTA £m	EPRA NDV £m
Equity attributable to owners of the Parent ¹	3,954.2	3,954.2	3,954.2	3,674.3	3,674.3	3,674.3
Unrecognised surplus on trading property – joint venture	0.1	0.1	0.1	0.1	0.1	0.1
Fair value of financial instruments – interest rate derivatives ²	(1.6)	(1.6)	–	(3.4)	(3.4)	–
Fair value adjustment of exchangeable bonds ³	2.2	2.2	–	(0.4)	(0.4)	–
Real Estate Transfer Tax	316.1	–	–	333.1	–	–
Adjustment of fixed rate debt from carrying value to fair value ⁴	–	–	5.1	–	–	50.8
Deferred tax adjustments	–	–	–	0.5	0.5	–
NAV	4,271.0	3,954.9	3,959.4	4,004.2	3,671.1	3,725.2
NAV per share (pence)	231.8p	214.7p	214.9p	218.4p	200.2p	203.2p

1. IFRS total equity attributable to owners of the Parent of 214.6 pence per share (31 December 2024: 200.4 pence per share).

2. This relates to the fair value of interest rate derivatives. Further details are disclosed within note 16 'Derivative financial instruments'.

3. Adjustment to remove the exchangeable bond option fair value and include the exchangeable bond liability at nominal value of £275 million.

4. Excludes fair value of exchangeable bond option component included under derivative liabilities as disclosed in note 16 'Derivative financial instruments'.

4 Gross profit

All revenue has been generated from operations within the United Kingdom.

	2025 £m	2024 £m
Rental receivable	212.7	197.2
Straight-lining of tenant lease incentives	3.6	7.8
Service charge income	22.6	22.1
Revenue	238.9	227.1
Property expenses	(33.7)	(33.1)
Provision for expected credit loss	(3.3)	(3.9)
Tenant lease incentives written off	(1.6)	(0.9)
Service charge expenses	(22.6)	(22.1)
Costs	(61.2)	(60.0)
Gross profit	177.7	167.1

5 Administration expenses

	2025 £m	2024 £m
Depreciation	0.2	0.3
Employee costs	28.4	23.0
Head office administration expenses	15.7	16.1
Non-underlying administration expenses ¹	5.9	3.3
Administration expenses	50.2	42.7

1. Non-underlying administration expenses relate to non-recurring corporate and transaction-related costs.

(a) Employee costs (including Executive Directors)

	Note	2025 £m	2024 £m
Wages and salaries		16.7	16.3
Social security costs		2.4	2.1
Pension costs		1.6	1.5
Share-based payments	30	7.7	3.1
Employee costs		28.4	23.0

Notes to the financial statements *continued*

5 Administration expenses *continued*

(b) Employee numbers

Average monthly number of people (including Executive Directors) employed	2025	2024
Total average headcount	101	98

The details of individual Directors' remuneration and pension benefits as set out in the tables contained in the Directors' remuneration report on pages 123 to 147 form part of these consolidated financial statements.

(c) Auditors' remuneration

	2025 £m	2024 £m
Remuneration to the principal auditors in respect of audit fees:		
Company and Group consolidated financial statements	0.9	1.0
Audit of the financial statements of the Company's subsidiaries	0.3	0.3
Total audit fees	1.2	1.3
Audit related assurance services including interim review	0.1	0.1
Total fees for audit and audit related services	1.3	1.4

The Group's auditors, PricewaterhouseCoopers LLP, have engaged on assignments in addition to their audit engagement duties where their expertise and experience of the Group are important. 2025 non-audit fees, including the interim review, represented 9.2 per cent of the total audit fee (31 December 2024: 10.0 per cent). Further details on the Audit Committee's non-audit services policy can be found on page 122.

6 Gain on revaluation and sale of investment property

	2025 £m	2024 £m
Gain on revaluation of investment property	322.7	202.9
Loss on sale of investment property	(0.9)	(8.3)
Gain on revaluation and sale of investment property	321.8	194.6

7 Change in value of investments and other receivables

Included in the change in value of investments and other receivables are impairments in relation to amounts receivable from the Lillie Square joint venture of £6.5 million (31 December 2024: £5.2 million). The prior year included other impairments of £1.8 million.

The investment and other receivables in Lillie Square consist of the equity investment, interest-bearing loans and a working capital facility.

Due to the joint venture being in a net liability position, and incurring losses in the year, the equity investment is held at nil (31 December 2024: nil).

As at the balance sheet date, prior to impairment, the Group held an interest-bearing loan of £93.7 million (31 December 2024: £89.9 million) and working capital facility of £29.3 million (31 December 2024: £29.2 million).

As required by IFRS 9, an impairment assessment was performed comparing the carrying amount of the interest-bearing loans and working capital facility to the present value of the estimated future cash flows from the joint venture.

The key assumptions made in the impairment assessment were the expected cash flows to be generated over the project life and the timing thereof. In terms of IFRS 9 requirements the Group applied a discount rate of 4.25 per cent (being the effective interest rate on the loan to the joint venture) to the cash flows which are in line with the strategic plan of the joint venture.

As a result, the Group has booked an impairment of £6.5 million during 2025 leading to a cumulative impairment of £54.8 million (31 December 2024: £48.3 million cumulative impairment). The cumulative impairment takes into consideration the losses from the joint venture.

Factoring in the impairment, the interest-bearing loan is held at a net book value of £68.2 million (31 December 2024: £70.7 million) and working capital facility at nil (31 December 2024: nil). The balances are included within Trade and other receivables at the balance sheet date.

Notes to the financial statements *continued***8 Finance income**

	2025 £m	2024 £m
Finance income:		
On deposits and current accounts	17.3	5.0
On interest rate derivatives	3.2	9.8
Finance income	20.5	14.8
Other finance income:		
On loans to joint ventures and associates	3.8	4.2
Non-underlying finance income	0.2	0.3
Other finance income	4.0	4.5

9 Finance costs

	2025 £m	2024 £m
On bank facilities and loan notes	29.8	35.8
On exchangeable bonds ¹	8.6	8.5
On secured loans	25.1	27.4
On obligations under lease liabilities	0.3	0.3
Finance costs	63.8	72.0
Other finance costs:		
Non-underlying finance charges ²	9.7	6.5
Other finance costs	9.7	6.5

- On 30 November 2020 the Group issued £275 million of secured exchangeable bonds maturing in March 2026. The net proceeds received from the issue of the exchangeable bonds have been split between the financial liability element and an option component. The debt component is accounted for at amortised cost and, after taking into account transaction costs, accrues interest at an effective interest rate of 3.1 per cent, of which 2 per cent (£5.5 million) represents the cash coupon on the bond.
- Non-underlying finance charges have been excluded from the calculation of underlying earnings as these are non-recurring costs and do not represent the underlying performance of the business. These finance charges include £4.9 million (31 December 2024: £5.5 million) IFRS 3 fair value of debt unwind, £2.7 million (31 December 2024: nil) accelerated fair value unwind and £2.1 million (31 December 2024: £1.0 million) costs associated with early close out of debt and exceptional legal fees.

10 Taxation

	2025 £m	2024 £m
Current income tax:		
Current income tax charge	-	0.5
Adjustments in respect of previous years	(0.3)	(0.2)
Current tax on profits	(0.3)	0.3
Deferred income tax:		
On accelerated capital allowances	(0.5)	-
On Group losses	(1.6)	0.9
On other temporary differences	2.1	(0.9)
Deferred tax on profits	-	-
Total taxation (credit)/charge in the consolidated income statement	(0.3)	0.3

Factors affecting the tax charge for the year

The tax credit for the year is £0.3 million (31 December 2024: £0.3 million charge) against a profit before tax of £387.1 million (31 December 2024: £252.4 million). A reconciliation against the standard rate of corporation tax in the United Kingdom ("UK") is set out below:

	2025 £m	2024 £m
Profit before tax	387.1	252.4
Profit on ordinary activities multiplied by the standard rate in the UK of 25.0% (31 December 2024: 25.0%)	96.8	63.1
Revaluation gains attributable to the REIT business	(80.6)	(50.8)
Expenses disallowed	13.6	2.8
Non-taxable items	-	(1.5)
REIT tax-exempt rental profits	(29.6)	(12.6)
Share of partnership loss	(1.5)	(0.1)
Other temporary differences not provided	1.3	1.3
Utilisation of losses not recognised for deferred tax	-	(1.7)
Adjustments in respect of previous years	(0.3)	(0.2)
Total taxation (credit)/charge in the consolidated income statement	(0.3)	0.3

As a UK REIT, the Group is exempt from UK corporation tax on income and gains from qualifying activities. Non-qualifying activities are subject to UK corporation tax.

As a UK REIT, the Group must distribute at least 90 per cent of the Group's income profits from its tax-exempt property rental business (calculated by reference to tax rather than accounting rules), and 100 per cent of the Group's UK REIT investment profits, by way of a dividend, which is known as a Property Income Distribution ("PID"). A corporation tax charge will arise for the Group at the main corporation tax rate if the minimum PID requirement is not met within 12 months of the end of the period. Further details regarding the PID are set out in note 11 'Dividends'.

Notes to the financial statements *continued***11 Dividends**

Group and Company	PID	Non-PID	Date paid	2025	2024
	Pence per share			£m	£m
Ordinary shares					
For the year ended 31 December 2023:					
Final dividend of 1.65 pence per share	0.65	1.0	31 May 2024	–	32.2
For the year ended 31 December 2024:					
Interim dividend of 1.7 pence per share	1.0	0.7	1 October 2024	–	33.2
Final dividend of 1.8 pence per share	1.8	–	30 May 2025	35.2	–
For the year ended 31 December 2025:					
Interim dividend of 1.9 pence per share	1.5	0.4	1 October 2025	37.0	–
Dividend expense ¹				72.2	65.4

1. Includes £4.7 million (31 December 2024: £4.3 million) paid to a controlled entity, Capco Investment London (No.7) Scottish Limited Partnership, in respect of 128,350,793 shares, of which 127,008,786 are held as collateral for the exchangeable bonds. The entity has provided an undertaking not to exercise its voting rights in respect of such ordinary shares but has received its dividend, all of which was retained by the Group following calculation of the dividend threshold test as set out in the exchangeable bond conditions. The Group's dividend expense recorded in the consolidated statement of cash flows is £66.7 million (31 December 2024: £61.1 million), which includes a £0.8 million adjustment for dividend withholding tax not yet paid at year end.

As a UK REIT, Shaftesbury Capital is required to distribute at least 90 per cent of the Group's income profits from its tax-exempt property rental business, and 100 per cent of the Group's UK REIT investment profits, by way of a PID.

These distributions can be subject to withholding tax at 20 per cent. Dividends from profits of the Group's taxable residual business are ordinary dividends and will be taxed as an ordinary dividend.

On 24 February 2026, the Directors proposed a final cash dividend for 2025 of 2.1 pence per ordinary share which will be paid wholly as a PID. The final cash dividend will be paid on 22 May 2026 to all shareholders on the register on 24 April 2026.

12 Property portfolio**Carrying value of property portfolio**

	Note	2025 £m	2024 £m
Carrying value of investment property at 1 January		4,899.1	4,740.2
Carrying value of investment property held for sale at 1 January		9.8	-
Carrying value at 1 January		4,908.9	4,740.2
Additions from acquisitions		85.4	84.9
Additions from subsequent expenditure		33.1	43.1
Disposals ¹		(12.8)	(162.2)
Gain on revaluation	6	322.7	202.9
Transfer to held for sale ¹		-	(9.8)
Carrying value of investment property		5,337.3	4,899.1
Adjustment in respect of fixed head leases		(2.6)	(3.0)
Adjustment in respect of tenant lease incentives and deferred letting fees	17	51.7	47.5
Market value of investment property		5,386.4	4,943.6
The investment property valuation comprises:			
Freehold properties		4,248.6	3,849.0
Leasehold properties		1,137.8	1,094.6
Market value of investment property		5,386.4	4,943.6

1. At 31 December 2024, two properties had exchanged for sale and were accordingly classified as held for sale. Both transactions have subsequently completed and are included in the disposals value of £12.8 million for the current year.

Valuation process

The fair value of the Group's investment property and owner-occupied property at 31 December 2025 was determined by independent, appropriately qualified external valuers, CBRE and Cushman & Wakefield. The valuations conform to the Royal Institution of Chartered Surveyors ("RICS") Valuation Professional Standards. Fees paid to valuers are based on fixed price contracts.

Each year the Company appoints the external valuers. The valuers are selected based on their knowledge, independence and reputation for valuing assets such as those held by the Group.

Valuations are performed bi-annually and are performed consistently across all properties in the Group's portfolio. At each reporting date, appropriately qualified employees of the Group verify all significant inputs and review computational outputs. Valuers submit and present summary reports to the Group's Audit Committee, with the Executive Committee reporting to the Board on the outcome of each valuation round.

Notes to the financial statements *continued***12 Property portfolio *continued*****Valuation process *continued***

A breakdown of the Group's property portfolio at market value is shown below:

Market value of property portfolio	Note	2025 £m	2024 £m
Market value of investment property		5,386.4	4,943.6
Market value of investment property held for sale		–	9.8
Market value of owner-occupied property	13	20.7	20.1
Market value of property portfolio under management		5,407.1	4,973.5
Market value of investment property attributable to non-controlling interest		(706.4)	–
Market value of property portfolio (Group share)		4,700.7	4,973.5

The gain/(loss) on revaluation of the Group's property portfolio is shown below:

Revaluation gain/(loss) of property portfolio	Note	2025 £m	2024 £m
Revaluation gain reported in consolidated income statement	6	322.7	202.9
Revaluation gain/(loss) reported in consolidated statement of comprehensive income	13	0.6	(0.1)
Total revaluation gain of property portfolio under management		323.3	202.8

Valuation techniques

Valuations are based on what is determined to be the highest and best use. When considering the highest and best use a valuer will consider, on a property-by-property basis, its actual and potential uses which are physically, legally and financially viable. Where the highest and best use differs from the existing use, the valuer will consider the cost and the likelihood of achieving and implementing this change in use in arriving at its valuation.

The fair value of the Group's investment properties has primarily been determined using a market approach, which provides an indication of value by comparing the subject asset with similar assets for which price information is available. The external valuers use information provided by the Group, such as tenancy information and capital expenditure expectations. In deriving fair value, the valuer also makes a series of assumptions, using professional judgement and market observations. These assumptions include, but are not limited to, market yields, ERVs and void periods. The critical key assumptions are the equivalent yields and ERVs, as set out within the table on the next page and within the Analysis of property portfolio on page 206. Equivalent yields are based on current market prices, depending on, inter alia, the location, condition and use of the properties. ERVs are calculated using a number of factors which include current rental income, market comparatives and local occupancy levels.

Whilst there is market evidence for the key inputs, and recent transaction prices for similar properties, there is still a significant element of estimation and judgement. As a result of adjustments made to market observable data, these significant inputs are deemed unobservable.

Non-financial assets carried at fair value, as is the case for investment property held by the Group, are required to be analysed by level depending on the valuation method adopted under IFRS 13 'Fair Value Measurement' ('IFRS 13').

The different valuation levels are defined as:

Level 1: valuation based on quoted market prices traded in active markets;

Level 2: valuation based on inputs other than quoted prices included within Level 1 that maximise the use of observable data either directly or from market prices or indirectly derived from market prices; and

Level 3: where one or more inputs to valuation are not based on observable market data. Valuations at this level are more subjective and therefore more closely managed, including sensitivity analysis of inputs to valuation models.

When the degree of subjectivity or nature of the measurement inputs change, consideration is given as to whether a transfer between fair value levels is deemed to have occurred. Unobservable data becoming observable market data would determine a transfer from Level 3 to Level 2. All investment properties held by the Group are classified as Level 3 in the current and prior year.

The following table sets out the key unobservable inputs used in the valuation models of the property portfolio under management:

Key unobservable inputs	2025 Range (weighted average)	2024 Range (weighted average)
Estimated rental value per square foot per annum	£18-£323 (£98)	£19-£296 (£92)
Equivalent yield	2.7%-6.8% (4.43%)	2.9%-6.5% (4.45%)

Sensitivity to changes in key assumptions

As noted in the critical accounting judgements and key sources of estimation and uncertainty section in note 1 'Principal accounting policies', the valuation of the Group's property portfolio is inherently subjective. As a result, the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the commercial property market.

Notes to the financial statements *continued*

12 Property portfolio *continued*

Sensitivity to changes in key assumptions *continued*

The sensitivity analysis below illustrates the impact on the fair value of the Group's properties, from changes in the key assumptions:

	Change in ERV			
	-10%	-5%	+5%	+10%
(Decrease)/increase in fair value (£m)	(436.3)	(219.9)	224.4	449.3
	Change in Yield			
	-50bps	-25bps	+25bps	+50bps
Increase/(decrease) in fair value (£m)	588.4	273.2	(256.8)	(481.6)

The table above shows movements in key assumptions in isolation. These key unobservable inputs are interdependent. All other factors being equal, a higher equivalent yield would lead to a decrease in the valuation, and an increase in estimated rental value would increase the capital value, and vice versa. However, there are interrelationships between the key unobservable inputs which are partially determined by market conditions, which would impact these changes.

At 31 December 2025, the Group was contractually committed to £10.8 million (31 December 2024: £24.1 million) of future expenditure for the purchase, refurbishment and enhancement of investment property. Refer to note 26 'Capital commitments' for further information on capital commitments.

Net Zero Carbon and EPC compliance

We are committed to meeting our 2030 carbon reduction targets and have reset our Net Zero Carbon target to 2040 to align with Science Based Targets initiative ("SBTi") long-term carbon reduction targets. A key element in achieving this will come from carbon efficiencies created through refurbishments of the Group's property portfolio.

During 2025, the Group's additions from subsequent expenditure were £33.1 million (31 December 2024: £43.1 million). Included within the £33.1 million total subsequent expenditure is work which related to enhancing the environmental performance of assets, and design stage work aimed at delivering environmental enhancements.

We aim for commercial units to have a "B" or above and residential units a "C" or above rating by 2030. We have already exceeded our interim target of 75 per cent of commercial units having a "B" or above EPC.

13 Property, plant and equipment

	Owner occupied property £m	Other £m	Total £m
Net carrying value at 1 January 2024	20.2	3.8	24.0
Additions	-	2.3	2.3
Depreciation ¹	-	(0.7)	(0.7)
Revaluation	(0.1)	-	(0.1)
Net carrying value at 31 December 2024	20.1	5.4	25.5
Depreciation ¹	-	(0.9)	(0.9)
Revaluation	0.6	-	0.6
Net carrying value at 31 December 2025	20.7	4.5	25.2

1. £0.2 million (31 December 2024: £0.3 million) of depreciation is recognised within note 5 'Administration expenses' and £0.7 million (31 December 2024: £0.4 million) is recognised within note 4 'Gross profit'.

Notes to the financial statements *continued***14 Investments in joint ventures and associates**

Investments in joint ventures and associates are measured using the equity method. At 31 December 2025, investments comprised of Lillie Square joint venture ("LSJV"), which is held with other investors on a 50:50 basis. The net profit from joint ventures and associates of £0.5 million included in the prior year consolidated income statement consists of £4.5 million share of profit from Longmartin, offset by a loss on sale on its disposal in October 2024 of £4.0 million.

The table below reconciles the opening to closing carrying value of investments as presented in the consolidated balance sheet.

Investments in joint ventures and associates	Longmartin £m	LSJV £m	Total £m
At 1 January 2024	83.4	-	83.4
Share of profit/(loss) for the period ¹	4.5	(1.8)	2.7
Losses restricted for the year ¹	-	1.8	1.8
Dividend received	(1.2)	-	(1.2)
Disposal of associate	(86.7)	-	(86.7)
At 31 December 2024	-	-	-
Share of loss for the year ¹	-	(6.5)	(6.5)
Losses restricted for the year ¹	-	6.5	6.5
At 31 December 2025	-	-	-

1. The loss from the Lillie Square joint venture for the year of £6.5 million (31 December 2024: £1.8 million) has been restricted in accordance with the requirements of IAS 28. Cumulative losses of £46.7 million (31 December 2024: £40.2 million), which exceed the Group's investment in the joint venture, have been restricted to date, and as a result the carrying value of the investment in LSJV is nil (31 December 2024: nil). The Group holds £68.2 million (31 December 2024: £70.7 million) of recoverable loans from LSJV within note 17 'Trade and other receivables'.

LSJV

LSJV was established as a joint venture arrangement with KFI in August 2012. The joint venture was established to own, manage and develop land interests at Lillie Square. LSJV comprises Lillie Square LP, Lillie Square GP Limited, acting as general partner to the partnership, and its subsidiaries.

All major decisions regarding LSJV are taken by the Board of Lillie Square GP Limited, through which the Group shares strategic control.

The summarised income statement and balance sheet of LSJV are presented below.

Summarised income statement	2025 £m	2024 £m
Revenue	4.3	3.6
Gross profit	1.5	1.3
(Loss)/gain on revaluation, sale and transfer of investment and trading property	(5.8)	3.0
Administration expenses	(1.4)	(0.7)
Net finance costs ¹	(7.3)	(7.1)
Loss for the year after taxation	(13.0)	(3.5)

1. Net finance costs include £7.6 million (31 December 2024: £7.6 million) interest payable on the interest-bearing loans issued to the joint venture by the Group and KFI. Finance income receivable by the Group from LSJV of £3.8 million (31 December 2024: £3.8 million) is recognised in the consolidated income statement within other finance income.

Summarised balance sheet	2025 £m	2024 £m
Investment property	84.9	87.4
Other non-current assets	5.4	5.6
Non-current assets	90.3	93.0
Trading property	39.5	42.8
Other current assets	2.9	1.3
Cash and cash equivalents	11.4	9.7
Current assets	53.8	53.8
Amounts payable to joint venture partners ¹	(232.6)	(224.8)
Other current liabilities	(4.5)	(2.1)
Current liabilities	(237.1)	(226.9)
Net liabilities	(93.0)	(80.1)
Carrying value of investment and trading property	124.4	130.2
Unrecognised surplus on trading property ²	0.3	0.3
Market value of investment and trading property²	124.7	130.5

1. Amounts payable to joint venture partners include working capital facilities of £29.3 million (31 December 2024: £29.2 million) advanced by the Group and an interest-bearing loan of £163.0 million (nominal value) advanced by the Group and KFI. The carrying value of the loan before impairment, including accrued interest, was £187.4 million (31 December 2024: £179.8 million). Recoverable amounts receivable by the Group, net of impairments, are recognised on the consolidated balance sheet within non-current trade and other receivables.

2. The unrecognised surplus on trading property and the market value of LSJV's property portfolio are shown for informational purposes only and are not a requirement of IFRS. Trading property continues to be measured at the lower of cost and net realisable value.

Notes to the financial statements *continued***15 Non-controlling interest**

On 1 April 2025, NBIM Mary Limited, a subsidiary of Norges Bank Investment Management, acquired a 25 per cent non-controlling interest in Covent Garden Real Estate Holdings Limited ("Covent Garden estate"), a subsidiary of the Group, for a cash consideration of £574.0 million. A loss on sale of £6.7 million, including transaction costs of £6.1 million, has been recorded within the loss on sale of investments and subsidiaries in the consolidated income statement.

The principal place of business of Covent Garden Real Estate Holdings Limited is within the United Kingdom.

The accumulated non-controlling interest is presented below.

	2025 £m
At 1 January	-
Non-controlling interest's share of net assets acquired	574.6
Profit for the period attributable to non-controlling interest	47.2
Dividends paid to non-controlling interest	(7.9)
At 31 December	613.9

The summarised income statement, balance sheet and cash flow statement of the Covent Garden estate are presented below.

	1 April 2025 to 31 December 2025 £m
Summarised income statement	
Revenue ¹	83.0
Costs ¹	(16.5)
Gross profit	66.5
Gain on revaluation of investment property	142.6
Administration expenses	(13.1)
Net finance costs	(7.4)
Income tax	0.3
Profit for the period	188.9

1. Revenue and costs exclude service charge income and expenses of £8.2 million.

	1 April 2025 to 31 December 2025 £m
Summarised cash flow statement	
Operating cash inflow after interest and tax	44.4
Purchase and development of investment property	(15.5)
Cash dividend paid	(31.6)
Net cash outflow	(2.7)

	2025 £m
Summarised balance sheet	
Investment property ¹	2,788.6
Other non-current assets	34.2
Non-current assets	2,822.8
Cash and cash equivalents ²	42.7
Other current assets	26.1
Current assets	68.8
Borrowings, including lease liabilities ³	(217.0)
Non-current liabilities	(217.0)
Borrowings, including lease liabilities ³	(162.7)
Other current liabilities	(56.4)
Current liabilities	(219.1)
Net assets	2,455.5

1. The market value of investment property as at 31 December 2025 is £2,825.5 million.
2. Cash and cash equivalents includes £15.5 million of tenant deposits which relate to cash held on deposit as security against tenant rent payments which are subject to certain restrictions and therefore not available for general use by the Group. In addition, cash deposits against tenants' rent payment obligations totalling £7.0 million are held in bank accounts administered by the Group's managing agents which are not included within the consolidated balance sheet.
3. The nominal value of debt included within borrowings is £380.0 million.

16 Derivative financial instruments

	2025 £m	2024 £m
Derivative financial assets		
Current		
Interest rate derivatives	1.6	3.4
Derivative financial assets	1.6	3.4
	2025 £m	2024 £m
Derivative financial liabilities		
Non-current		
Derivative liability – exchangeable bonds ¹	-	1.8
Current		
Derivative liability – exchangeable bonds ¹	1.3	-
Derivative financial liabilities	1.3	1.8

1. On 30 November 2020 the Group issued £275 million of secured exchangeable bonds maturing in March 2026. The net proceeds received from the issue of the exchangeable bonds have been split between the financial liability element and an option component, representing the fair value of the embedded option to convert the financial liability into equity of Shaftesbury Capital. The debt component is accounted for at amortised cost at the effective interest rate method and the derivative liability is accounted for at fair value through profit or loss.

Notes to the financial statements *continued***16 Derivative financial instruments *continued***

During the year, the following movements on derivative financial instruments were recognised in profit or loss:

	2025 £m	2024 £m
Profit or loss		
Fair value loss on interest rate derivatives ¹	(3.5)	(6.3)
Fair value gain on derivative liability – exchangeable bonds	0.5	5.4
Change in fair value of derivative financial instruments	(3.0)	(0.9)

1. Fair value loss on interest rate derivatives consists of £3.4 million loss on derivatives which matured on 31 December 2025 and £0.1 million loss on derivatives entered into on 30 December 2025. The derivatives entered into on 30 December 2025 had an upfront cost of £1.7 million.

17 Trade and other receivables

	2025 £m	2024 £m
Non-current		
Prepayments and accrued income ¹	39.8	39.9
Amounts receivable from joint ventures ²	68.2	70.7
Other receivables ³	5.8	29.1
Trade and other receivables	113.8	139.7
Current		
Rent receivable ⁴	13.3	9.9
Prepayments and accrued income ¹	19.9	15.2
Other receivables	8.1	5.3
Trade and other receivables	41.3	30.4

1. Includes tenant lease incentives and deferred letting fees of £51.7 million (31 December 2024: £47.5 million).

2. Amounts receivable from joint ventures represents an interest-bearing loan of £93.7 million (31 December 2024: £89.9 million) provided to LSJV. The loan bears interest at 4.25 per cent per annum and is repayable on demand. As it is not the intention of the Group to call on the loan in the next 12 months it has been presented as non-current. The loan has been impaired by £25.5 million (31 December 2024: £19.2 million) to date. Included within current trade and other receivables is working capital of £29.3 million (31 December 2024: £29.2 million) due from LSJV that has been fully impaired. Refer to note 7 'Change in value of investments and other receivables' for further detail.

3. Non-current other receivables include £5.7 million (31 December 2024: £29.1 million) of restricted cash held on deposit as security for the secured debt with certain conditions restricting the use.

4. Rent receivable is shown net of an expected credit loss provision of £4.9 million (31 December 2024: £8.0 million).

18 Cash and cash equivalents

	2025 £m	2024 £m
Cash at hand	1.9	11.7
Cash on short-term deposits	344.0	98.1
Cash	345.9	109.8
Tenant deposits ¹	15.5	14.2
Cash and cash equivalents	361.4	124.0

1. Tenant deposits included above relate to cash held on deposit as security against tenant rent payments which are subject to certain restrictions and therefore not available for general use by the Group. The deposits are held in bank accounts administered by the Group and are therefore included within cash and cash equivalents in the consolidated balance sheet. In addition, cash deposits against tenants' rent payment obligations totalling £26.5 million (31 December 2024: £22.2 million) are held in bank accounts administered by the Group's managing agents which are not included within the consolidated balance sheet.

19 Trade and other payables

	2025 £m	2024 £m
Rent in advance	27.6	22.1
Accruals	37.2	42.7
Other payables	24.0	14.9
Other taxes and social security	9.3	5.1
Trade and other payables	98.1	84.8

Notes to the financial statements *continued*

20 Borrowings

	2025						
	Carrying value £m	Secured £m	Unsecured £m	Fixed rate £m	Floating rate £m	Fair value £m	Nominal value £m
Current							
Loan notes	162.5	-	162.5	162.5	-	160.9	162.5
Exchangeable bonds ¹	275.9	275.9	-	275.9	-	274.2	275.0
	438.4	275.9	162.5	438.4	-	435.1	437.5
Non-current							
Bank loans	68.7	-	68.7	-	68.7	75.0	75.0
Loan notes	217.1	-	217.1	217.1	-	199.7	217.5
Secured loans	486.6	486.6	-	486.6	-	497.2	517.4
	772.4	486.6	285.8	703.7	68.7	771.9	809.9
Total borrowings	1,210.8						1,247.4
Cash, excluding tenant deposits							(345.9)
Net debt							901.5

	2024						
	Carrying value £m	Secured £m	Unsecured £m	Fixed rate £m	Floating rate £m	Fair value £m	Nominal value £m
Non-current							
Bank loans	269.9	-	269.9	-	269.9	269.9	275.0
Loan notes	379.3	-	379.3	379.3	-	341.0	380.0
Secured loans	545.8	545.8	-	545.8	-	544.8	584.8
Exchangeable bonds ¹	272.8	272.8	-	272.8	-	263.1	275.0
	1,467.8	818.6	649.2	1,197.9	269.9	1,418.8	1,514.8
Total borrowings	1,467.8						1,514.8
Cash, excluding tenant deposits							(109.8)
Net debt							1,405.0

1. Fair value of exchangeable bonds includes the fair value of the option component of £1.3 million (31 December 2024: £1.8 million) as disclosed in note 16 'Derivative financial instruments'.

Notes to the financial statements *continued***20 Borrowings continued**

£517.4 million (31 December 2024: £584.8 million) (nominal value) of the Group's borrowings are secured by fixed charges over certain investment properties held by subsidiaries, with a market value of £1,686.4 million (31 December 2024: £1,681.1 million), and by floating charges over the assets of certain subsidiaries.

There are currently no restrictions on the remittance of income from investment properties.

Certain borrowing agreements contain financial and other covenants that, if contravened, could alter the repayment profile. Details of financial covenants are included in note 23 'Financial risk management'. The Group has complied with the financial covenants of all its borrowings during both years presented.

The Group has three revolving credit facilities totalling £750 million, which are undrawn at 31 December 2025.

Undrawn facilities and cash attributable to the Group, excluding tenant deposits, at 31 December 2025 were £1,095.9 million (31 December 2024: £559.8 million).

The fair value of the Group's floating rate borrowings has been estimated using the market rates, which approximates nominal value, and are classified as Level 2 fair values as defined by IFRS 13. The fair values of fixed rate borrowings have been determined by using a discounted cash flow approach, using a current borrowing rate. The loans are classified as Level 3 fair value measurements as defined by IFRS 13 due to the use of unobservable inputs, including own credit risk. The different valuation levels are defined in note 12 'Property portfolio'.

	2025	
	Current borrowings £m	Non-current borrowings £m
Analysis of movement in borrowings		
Balance at 1 January	-	1,467.8
Borrowings drawn	-	25.0
Borrowings repaid	-	(292.4)
Other net cash movements	-	(9.8)
Other non-cash movements	-	20.2
Reclassification from non-current to current	438.4	(438.4)
Balance at 31 December	438.4	772.4

	2024	
	Current borrowings £m	Non-current borrowings £m
Analysis of movement in borrowings		
Balance at 1 January	94.9	1,534.8
Borrowings drawn	-	135.0
Borrowings repaid	(95.0)	(210.0)
Other net cash movements	-	(3.5)
Other non-cash movements	0.1	11.5
Balance at 31 December	-	1,467.8

The maturity profile of gross debt is as follows:

	2025 £m	2024 £m
Wholly repayable in one year	437.5	-
Wholly repayable in more than one year but not more than five years	407.4	982.3
Wholly repayable in more than five years	402.5	532.5
	1,247.4	1,514.8

21 Lease liabilities**Lease liabilities included within investment property****(a) Minimum lease payments under lease obligations**

	2025 £m	2024 £m
Not later than one year	0.3	0.3
Later than one year and not later than five years	1.1	1.2
Later than five years	6.7	7.6
	8.1	9.1
Future finance charges on lease liabilities	(5.5)	(6.1)
Total undiscounted lease liabilities	2.6	3.0

(b) Present value of minimum lease obligations

	2025 £m	2024 £m
Not later than one year	0.3	0.3
Later than one year and not later than five years	0.7	1.0
Later than five years	1.6	1.7
Present value of lease liabilities	2.6	3.0

Notes to the financial statements *continued***21 Lease liabilities continued****Lease liabilities included within investment property continued**

Lease liabilities included under investment property are in respect of leasehold interests in investment property. Certain leases provide for payment of contingent rent, usually a proportion of rental income in addition to the minimum lease payments above. £0.3 million contingent rent has been paid during the year (31 December 2024: £0.3 million).

These lease liabilities are effectively secured obligations, as the rights to the leased asset revert to the lessor in the event of default.

22 Operating leases

The Group earns rental income by leasing its investment property to tenants under operating leases.

In the United Kingdom standard commercial leases vary considerably between markets and locations but typically are for a term of five to fifteen years at market rent with provisions to review every five years.

The Group is exposed to changes in the residual value of properties at the end of the current leases. This residual value risk is mitigated through the implementation of active asset management initiatives which aim to ensure the Group enters into new leasing deals prior to the expiry of current leases. The Group also offers lease incentives to encourage high-quality tenants to remain in properties for longer lease terms. Expectations about the future residual values are reflected in the fair value of the properties.

The future undiscounted minimum lease amounts receivable under non-cancellable operating leases are as follows:

	2025 £m	2024 £m
Within one year	170.6	165.8
Between one and two years	145.5	141.8
Between two and three years	119.7	120.8
Between three and four years	94.1	99.7
Between four and five years	70.9	75.3
Later than five years	327.0	353.7
Total undiscounted minimum lease receivables	927.8	957.1

The consolidated income statement includes nil (31 December 2024: £0.4 million) recognised in respect of expected increased rent resulting from outstanding reviews where the actual rent will only be determined on settlement of the rent review.

Certain leases provide for the payment of variable rent, usually a portion of the customer's turnover, in addition to the minimum lease payments above. £5.0 million variable rent has been included in the consolidated income statement during the year (31 December 2024: £4.9 million).

23 Financial risk management

The Group's financial risk management strategy seeks to set financial limits for treasury activity to ensure they are in line with the risk appetite of the Group. The Group is exposed to a variety of risks arising from the Group's operations: market risk, liquidity risk and credit risk. The following table sets out each class of financial asset and financial liability as at 31 December:

Categories of financial instruments

		2025		2024	
	Note	Carrying value £m	(Loss)/gain to income statement £m	Carrying value £m	(Loss)/gain to income statement £m
Derivative financial assets	16	1.6	(3.5)	3.4	(6.3)
Fair value through profit and loss		1.6	(3.5)	3.4	(6.3)
Cash and cash equivalents	18	361.4	-	124.0	-
Other financial assets ¹	17	95.4	-	115.0	-
Total cash and other financial assets		456.8	-	239.0	-
Derivative financial liabilities	16	(1.3)	0.5	(1.8)	5.4
Fair value through profit and loss		(1.3)	0.5	(1.8)	5.4
Borrowings	20	(1,210.8)	-	(1,467.8)	-
Lease liabilities	21	(2.6)	-	(3.0)	-
Other financial liabilities ²	19	(70.5)	-	(62.7)	-
Total borrowings and other financial liabilities		(1,283.9)	-	(1,533.5)	-

1. Includes rent receivable, amounts due from joint ventures and associates and other receivables.

2. Includes trade and other payables (excluding rents in advance).

The majority of the Group's financial risk management is carried out by the Group's treasury function under policies approved by the Board of Directors. The policies for managing each of these risks and the principal effects of these policies on the results for the year are summarised on the following pages.

Notes to the financial statements *continued*

23 Financial risk management *continued*

Market risk

Interest rate risk

Interest rate risk comprises both cash flow and fair value risks. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fair value risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market interest rates.

The Group's interest rate risk arises from borrowings issued at variable rates that expose the Group to cash flow interest rate risk, whereas borrowings issued at fixed interest rates expose the Group to fair value interest rate risk.

It is Group policy, and often a requirement of our lenders, to eliminate substantially all short and medium-term exposure to interest rate fluctuations in order to establish certainty over medium-term cash flows by using fixed interest rate derivatives. Interest rate derivatives have the economic effect of converting borrowings from floating to fixed rates. Interest rate caps protect the Group by capping the maximum interest rate payable. Interest rate collars protect the Group by capping the maximum interest rate payable at the collar's ceiling but forego the profitability of interest rate falls below a certain floor.

The Group's policy is to ensure that interest rate protection on Group external debt is greater than 25 per cent.

The Group has entered into various non-traded derivative instruments to manage its exposure to interest rate risk. These derivatives have not been designated as hedging instruments and therefore they are classified as financial derivatives at fair value through profit or loss.

All of the Group's drawn debt is at fixed rates or currently has interest rate protection in place, taking into account £300 million of hedging which provides for a cap of 3.0 per cent on SONIA exposure until the end of 2026, and interest on cash deposits.

The derivative contracts require settlement of net interest receivable or payable every 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

The sensitivity analysis below illustrates the impact of a 100 basis point ("bps") shift, upwards and downwards, in the level of interest rates on the movement in fair value of interest rate derivatives entered into by the Group.

	Increase in interest rates by 100 bps 2025 £m	Decrease in interest rates by 100 bps 2025 £m	Increase in interest rates by 100 bps 2024 £m	Decrease in interest rates by 100 bps 2024 £m
Effect on profit before tax (change in fair value of derivative financial instruments):				
Increase/(decrease)	2.7	(1.5)	2.3	(2.1)

The sensitivity analysis above is a reasonable illustration of the possible effect from the changes in slope and shifts in the yield curve that may actually occur and represents management's assessment of possible changes in interest rates. 100 bps has been used in 2025 (31 December 2024: 100 bps) to reflect current macroeconomic conditions. The fixed rate derivative financial instruments are matched by floating rate debt, therefore such a movement would have a very limited effect on Group cash flow overall.

Liquidity risk

Liquidity risk is managed to ensure that the Group is able to meet future payment obligations when financial liabilities fall due.

The Group's policy is to seek to minimise its exposure to liquidity risk by managing its exposure to interest rates and its ability to refinance. The Group seeks to achieve an appropriate balance between a number of factors, including tenor and costs.

Liquidity analysis is intended to provide sufficient headroom to meet the Group's operational requirements and investment commitments.

The Group's policy also includes maintaining adequate cash, as well as maintaining adequate committed and undrawn facilities.

A key factor in ensuring existing facilities remain available to the Group is the borrowing entity's ability to meet the relevant facility's financial covenants. The Group has a process to regularly monitor both current and projected compliance with the financial covenants.

The Group regularly reviews the maturity profile of its financial liabilities and will seek to avoid concentrations of maturities through the regular replacement of facilities and by staggering maturity dates. Refinancing risk may be reduced by reborrowing prior to the contracted maturity date, effectively switching liquidity risk for market risk. This is subject to credit facilities being available at the time of the desired refinancing.

Notes to the financial statements *continued***23 Financial risk management *continued*****Liquidity risk *continued***

The tables below set out the maturity analysis of the Group's financial liabilities based on the undiscounted contractual obligations to make payments of interest and to repay principal. The unsecured revolving credit facilities totalling £750 million are not included for 2025 as these facilities were undrawn as at 31 December 2025. Where interest payment obligations are based on a floating rate, the rates used are those implied by the par yield curve.

Group	2025										
	Carrying value	Within 1 yr (2026)		Between 1-2 yrs (2027-2028)		Between 3-5 yrs (2029-2030)		Over 5 yrs (2031 onwards)		Total	
	£m	Interest £m	Principal £m	Interest £m	Principal £m	Interest £m	Principal £m	Interest £m	Principal £m	Interest £m	Principal £m
Non-derivatives											
Loan notes	379.6	10.2	162.5	10.6	100.0	5.9	35.0	7.6	82.5	34.3	380.0
Unsecured bank loans	68.7	7.0	-	14.3	-	6.8	75.0	-	-	28.1	75.0
Secured loans	486.6	24.0	-	48.0	-	40.8	197.4	56.7	320.0	169.5	517.4
Exchangeable bonds	275.9	2.7	275.0	-	-	-	-	-	-	2.7	275.0
Other payables	70.5	-	70.5	-	-	-	-	-	-	-	70.5
Total non-derivatives	1,281.3	43.9	508.0	72.9	100.0	53.5	307.4	64.3	402.5	234.6	1,317.9
Derivatives											
Interest rate derivatives	(1.6)	(1.6)	-	-	-	-	-	-	-	(1.6)	-
Total derivatives	(1.6)	(1.6)	-	-	-	-	-	-	-	(1.6)	-

Group	2024										
	Carrying value	Within 1 yr (2025)		Between 1-2 yrs (2026-2027)		Between 3-5 yrs (2028-2029)		Over 5 yrs (2030 onwards)		Total	
	£m	Interest £m	Principal £m	Interest £m	Principal £m	Interest £m	Principal £m	Interest £m	Principal £m	Interest £m	Principal £m
Non-derivatives											
Loan notes	379.3	10.2	-	16.2	212.5	10.6	85.0	7.6	82.5	44.6	380.0
Unsecured bank loans	269.9	20.2	-	23.2	200.0	6.5	75.0	-	-	49.9	275.0
Secured loans	545.8	27.0	-	54.0	-	69.2	264.8	56.8	320.0	207.0	584.8
Exchangeable bonds	272.8	5.5	-	2.7	275.0	-	-	-	-	8.2	275.0
Other payables	62.7	-	62.7	-	-	-	-	-	-	-	62.7
Total non-derivatives	1,530.5	62.9	62.7	96.1	687.5	86.3	424.8	64.4	402.5	309.7	1,577.5
Derivatives											
Interest rate derivatives	(3.4)	(3.4)	-	-	-	-	-	-	-	(3.4)	-
Total derivatives	(3.4)	(3.4)	-	-	-	-	-	-	-	(3.4)	-

Notes to the financial statements *continued*

23 Financial risk management *continued*

Liquidity risk *continued*

Contractual maturities reflect the expected maturities of financial instruments.

The interest payments on variable interest rate loans and bonds issued in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above table as interest rates change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts based on the current drawn facility balances.

Financial covenants

The Group has three unsecured revolving credit facilities, loan notes, secured loans, exchangeable bonds and an unsecured term loan that contain loan covenants. Details of these loans are disclosed in note 20 'Borrowings'. A future breach of covenant may require the Group to repay the facilities earlier than indicated in the above table. Details of the loan covenants are set out below:

	31 December 2025				
	Maturity	Nominal value £m	Carrying value £m	LTV covenant ²	Interest cover covenant ²
Loan notes	2026–2037	380.0	379.6	60%	1.20x
Exchangeable bonds	2026	275.0	275.9	N/A	N/A
Unsecured term loan ¹	2029	75.0	68.7	60%	1.20x
Secured term loan (Canada Life)	2029	67.4	65.0	60%	1.40x
Secured term loans (Aviva)	2030–2035	450.0	421.6	65%	1.35x
Unsecured revolving credit facilities (undrawn) ¹	2029–2030	750.0	–	60%	1.20x

1. Additional covenants include that Group unencumbered assets are equal to or exceed 1.5x of Group unsecured debt, and subsidiary unencumbered assets are equal to or exceed 1.25x of the Company unsecured debt.

2. The covenants of the drawn loan balances are defined within the Glossary.

Financial covenants

Under the terms of the debt agreements, the secured term loan covenants are calculated quarterly, and the covenants for the remaining debt agreements are calculated at the end of each annual and interim reporting period. There are no indications that the Group would have difficulties complying with the covenants when they will next be tested.

Credit risk

The Group's principal financial assets are trade and other receivables, amounts receivable from joint ventures and cash and cash equivalents. Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. Credit risk arises primarily from trade receivables relating to customers but also from the Group's undrawn commitments and holdings of assets such as cash deposits and loans with counterparties. The carrying value of financial assets recorded in the consolidated financial statements represents the Group's maximum exposure to credit risk without taking into account the value of any deposits or guarantees obtained.

Trade and other receivables:

Credit risk associated with trade receivables is actively managed; customers are managed individually by asset managers, who continuously monitor and work with customers, anticipating and wherever possible identifying and addressing risks prior to default. Customers are managed through a large and diverse customer base to reduce the credit risk to the Group. Trade receivables are less than one per cent of total assets at 31 December 2025 (31 December 2024: less than one per cent) and are £18.2 million as at 31 December 2025 (31 December 2024: £17.9 million).

Prospective customers are assessed through an internally conducted review process, by obtaining credit ratings and reviewing financial information. As a result, deposits or guarantees may be obtained. The amount of deposits held as collateral at 31 December 2025 was £42.0 million (31 December 2024: £36.4 million). £26.5 million (31 December 2024: £22.2 million) of the cash deposits held against customers' rent payment obligations are in bank accounts administered by the Group's managing agents which are not included within the consolidated balance sheet.

Notes to the financial statements *continued***23 Financial risk management *continued*****Credit risk *continued***

Rent receivable balances are provided against by applying the IFRS 9 expected credit loss model which uses a lifetime expected loss allowance. In assessing the provision the Group identifies risk factors associated by sector and the type of rent receivable outstanding (rent arrears, service charge, other). In determining the provision on a customer by customer basis, the Group considers both recent payment history and future expectations of the customer's ability to pay or possible default in order to recognise an expected credit loss allowance.

Trade receivable balances are written off when there is no reasonable expectation of recovery or when a rent concession is provided for past due rent. Indicators that there is no reasonable recovery include the failure of the debtor to engage in a repayment plan with the Group and a failure to make contractual payments.

The amounts of trade receivables presented in the consolidated balance sheet are net of expected credit losses.

Ageing of gross trade receivables and loss allowances were as follows:

	2025 £m		2024 £m	
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Not yet due	1.2	(0.1)	–	–
0-90 days	10.4	(1.7)	7.4	(1.1)
91-180 days	2.2	(0.9)	4.0	(1.3)
Over 180 days	4.4	(2.2)	6.5	(5.6)
Trade receivables	18.2	(4.9)	17.9	(8.0)

Set out below is the movement in the loss allowance of trade receivables:

	2025 £m	2024 £m
As at 1 January	(8.0)	(4.8)
Write-off	6.4	0.7
Provision for expected credit loss allowance	(3.3)	(3.9)
Loss allowance at 31 December	(4.9)	(8.0)

Aged customer balances over 90 days have declined following the write-off of trade receivable balances resulting in a reduced loss allowance. £6.4 million of the trade receivable balances were written off due to the finalisation of customer administrations during the year.

As the Group operates predominantly in central London, it is subject to some geographical concentration risk. However, this is mitigated by the extensive range of customers from varying business sectors and the credit review process as noted above.

Customer concentration risk is limited due to the large and diverse customer base, with no one customer providing more than 10 per cent of the Group's rental income.

Amounts receivable from joint ventures:

Included within receivables, net of impairment is nil (31 December 2024: nil) working capital facility advanced to the Lillie Square joint venture and an interest-bearing loan of £68.2 million (31 December 2024: £70.7 million). The carrying value of the investment in the joint venture is nil (31 December 2024: nil) as the Group's share of losses exceeds the cost of its investment. Total funding advanced to the joint venture, including the working capital facility and an interest-bearing loan, has been impaired by £54.8 million cumulatively. Details of the impairment are set out in note 7 'Change in value of investments and other receivables'.

Cash, deposits and derivative financial instruments:

The credit risk relating to cash, deposits and derivative financial instruments is actively managed by the Group's treasury function. Relationships are maintained with a number of institutional counterparties, ensuring compliance with Group cash investment policy relating to limits on the credit ratings of counterparties. The maximum exposure to cash and deposits, excluding tenant deposits, as at 31 December 2025 amounted to £351.6 million (31 December 2024: £114.7 million), including the Group's share of joint venture cash. The maximum fair value exposure to derivative financial instruments is £0.3 million (31 December 2024: £1.6 million).

Gross carrying value and loss allowance of other receivables (excluding trade receivables) are set out in the table below:

	2025 £m		2024 £m	
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Amounts receivable from joint ventures and associates	123.0	(54.8)	119.0	(48.3)
Other receivables	75.2	(1.6)	90.4	(0.9)

Fair value estimation

Financial instruments carried at fair value are required to be analysed by level depending on the valuation method adopted under IFRS 13. The different valuation levels are defined in note 12 'Property portfolio'.

The Group's financial assets and liabilities carried at fair value are derivative financial instruments. The fair values of derivative financial instruments are determined from observable market prices or estimated using appropriate yield curves at 31 December each year by discounting the future contractual cash flows to the net present values.

Notes to the financial statements *continued*

23 Financial risk management *continued*

Fair value estimation *continued*

The fair values of the Group's derivative financial instruments are reflected within note 16 'Derivative financial instruments' and are classified as Level 2 fair values as defined by IFRS 13. There were no transfers between levels during the current and prior year.

The fair values of the Group's cash and cash equivalents, other financial assets carried at amortised cost, and other financial liabilities are not materially different from those at which they are carried in the consolidated financial statements.

Capital structure

The Group seeks to enhance shareholder value both by investing in the business so as to improve the return on investment and by managing the capital structure appropriately. The Group uses a mix of equity, debt and other financial instruments, and aims to access both debt and equity capital markets efficiently.

The key ratios used to monitor the capital structure of the Group, reflecting debt financial covenants, are loan-to-value and the interest cover ratios. The Group aims not to exceed a loan-to-value ratio of more than 40 per cent and to maintain interest cover above 125 per cent. These ratios are disclosed on a Group share basis on the nominal value of debt and market value of investment properties. In addition, net debt to EBITDA is a useful indicator of balance sheet strength. This rate has enhanced significantly during the year, reducing from 10.9 to 6.6 times. These metrics are discussed in the Financial review on page 42.

Loan-to-value (Group share)	Note	2025 £m	2024 £m
Debt at nominal value	20	1,247.4	1,514.8
Adjusted for non-controlling interest ¹		(95.0)	-
Debt at nominal value – Group share (A)		1,152.4	1,514.8
Cash	18	(345.9)	(109.8)
Adjusted for non-controlling interest		6.8	-
Cash – Group share (B)		(339.1)	(109.8)
Net debt (C = A+B)		813.3	1,405.0
Total market value of property portfolio (Group share) (B)	12	4,700.7	4,973.5
Loan-to-value (C/B)²		17.3%	28.2%

1. Represents 25 per cent of £380 million, which is the nominal value of debt as per note 15 'Non-controlling interest'.

2. Loan-to-value excludes amounts allocated to non-controlling interest and the Lillie Square joint venture.

Interest cover (Group share)	APM table	2025 £m	2024 £m
Finance costs	Table 1	(61.6)	(72.0)
Finance income	Table 1	20.2	14.8
Net underlying finance costs (A)		(41.4)	(57.2)
Underlying operating income:			
Gross profit	Table 1	161.1	167.1
Other income	Table 1	3.0	-
Underlying operating income (B)		164.1	167.1
Interest cover (B/A)¹		396.4%	292.1%

1. Interest cover excludes amounts allocated to non-controlling interest and the Lillie Square joint venture.

24 Deferred tax

The corporation tax rate referred to in note 10 'Taxation' has been enacted for the purposes of IAS 12 'Income Taxes' ("IAS 12") and therefore has been reflected in these consolidated financial statements based on the expected timing of the realisation of deferred tax.

Deferred tax on investment property is calculated under IAS 12 provisions on a disposals basis by reference to the property's original tax base cost. Properties that fall within the Group's qualifying REIT activities will be outside the charge to UK corporation tax subject to certain conditions being met. The Group's recognised deferred tax position on investment property as calculated under IAS 12 is nil at 31 December 2025 (31 December 2024: nil).

	Accelerated capital allowances £m	Fair value of derivative financial instruments £m	Other temporary differences £m	Non-REIT Group losses £m	Total £m
Provided deferred tax provision:					
At 1 January 2024	0.5	0.9	-	(1.4)	-
Consolidated income statement items	-	(0.9)	-	0.9	-
At 31 December 2024	0.5	-	-	(0.5)	-
Consolidated income statement items	(0.5)	-	2.1	(1.6)	-
At 31 December 2025	-	-	2.1	(2.1)	-
Unrecognised deferred tax assets:					
At 1 January 2024	-	-	(0.9)	(21.4)	(22.3)
Consolidated income statement items	-	(0.7)	(1.5)	(1.0)	(3.2)
At 31 December 2024	-	(0.7)	(2.4)	(22.4)	(25.5)
Consolidated income statement items	-	0.7	(3.0)	(0.1)	(2.4)
At 31 December 2025	-	-	(5.4)	(22.5)	(27.9)

Notes to the financial statements *continued***24 Deferred tax *continued***

In accordance with the requirements of IAS 12, deferred tax assets are only recognised to the extent that the Group believes it is probable that future taxable profits will be available against which the deferred tax assets can be recovered. As at 31 December 2025, the Group has unrecognised deferred tax assets of £27.9 million (31 December 2024: £25.5 million) in relation to £89.7 million (31 December 2024: £89.8 million) of gross losses carried forward within its residual business and £21.7 million (31 December 2024: £12.4 million) of other deductible temporary differences.

25 Share capital and share premium issued and fully paid

Group and Company

Issue type	Issue price (pence)	Number of shares	Share capital £m ¹	Share premium £m
At 1 January 2024		1,953,170,495	488.2	232.5
Issued to satisfy employee share scheme awards ²	25	7,643	-	-
At 31 December 2024		1,953,178,138	488.2	232.5
At 31 December 2025		1,953,178,138	488.2	232.5

1. Nominal value of share capital of 25 pence per share.

2. On 10 June 2024, 7,643 new shares were issued to satisfy employee share scheme awards.

26 Capital commitments

At 31 December 2025, the Group was contractually committed to £10.8 million (31 December 2024: £24.1 million) of future expenditure for the purchase, refurbishment and enhancement of investment property.

The Group's share of joint venture capital commitments arising from LSJV amounts to nil (31 December 2024: nil).

27 Contingent liabilities

The Group has contingent liabilities in respect of legislation, sustainability targets, legal claims, guarantees and warranties arising from the ordinary course of business. There are no contingent liabilities that require disclosure or recognition in the consolidated financial statements in the current and prior year.

28 Cash flow information**(a) Cash generated from operations**

	Note	2025 £m	2024 £m
Profit before tax		387.1	252.4
Adjustments:			
Gain on revaluation and sale of investment property ¹		(322.5)	(197.6)
Change in value of investments and other receivables	7	6.5	7.0
Depreciation ²	13	0.9	0.7
Amortisation of tenant lease incentives and other direct costs		0.5	(5.6)
Provision for expected credit loss	4	3.3	3.9
Profit from joint ventures and associates	14	-	(4.5)
Share-based payments expense	30	8.3	3.1
Finance income	8	(20.5)	(14.8)
Other finance income	8	(4.0)	(4.5)
Finance costs	9	63.8	72.0
Other finance costs	9	9.7	6.5
Change in fair value of derivative financial instruments	16	3.0	0.9
Loss on sale of associate	14	-	4.0
Loss on sale of investments and subsidiaries ³		1.0	-
<i>Change in working capital:</i>			
Change in trade and other receivables		15.6	(4.6)
Change in trade and other payables		8.5	(10.2)
Cash generated from operations		161.2	108.7

1. Included within the gain on revaluation and sale of investment property in the consolidated income statement is cash transaction costs of £0.7 million (31 December 2024: £3.0 million) incurred on the disposal of property.

2. £0.2 million (31 December 2024: £0.3 million) of depreciation is recognised within note 5 'Administration expenses' and £0.7 million (31 December 2024: £0.4 million) is recognised within note 4 'Gross profit'.

3. Included within loss on sale of investments and subsidiaries in the consolidated income statement are cash transaction costs of £5.7 million.

Notes to the financial statements *continued***28 Cash flow information *continued*****(b) Reconciliation of cash flows from financing activities**

The table below sets out the reconciliation of the movements in borrowings to cash flows arising from financing activities:

	Note	Long-term borrowings £m	Short-term borrowings £m	Derivative liability - exchangeable bonds £m	Total liabilities from financing activities £m
Balance at 1 January 2024		1,534.8	94.9	7.2	1,636.9
Cash flows from financing activities					
Repayment of bank loans	20	(210.0)	(95.0)	-	(305.0)
Drawdown of revolving credit facility and secured loan	20	135.0	-	-	135.0
Total cash flows used in financing activities		(75.0)	(95.0)	-	(170.0)
Other movements					
Transaction costs associated with financing activities		(3.5)	-	-	(3.5)
Amortisation and unwind of fair value adjustment on debt		11.5	0.1	(5.4)	6.2
Total other movements		8.0	0.1	(5.4)	2.7
Balance at 31 December 2024		1,467.8	-	1.8	1,469.6
Cash flows from financing activities					
Repayment of bank loans	20	(292.4)	-	-	(292.4)
Drawdown of revolving credit facility and secured loan	20	25.0	-	-	25.0
Total cash flows used in financing activities		(267.4)	-	-	(267.4)
Other movements					
Transaction costs associated with financing activities		(4.3)	-	-	(4.3)
Interest on exchangeable bonds		(5.5)	-	-	(5.5)
Amortisation and unwind of fair value adjustment on debt		20.2	-	(0.5)	19.7
Reclassification from non-current to current	20	(438.4)	438.4	-	-
Total other movements		(428.0)	438.4	(0.5)	9.9
Balance as at 31 December 2025		772.4	438.4	1.3	1,212.1

29 Related party transactions**(a) Transactions with Directors**

	2025 £m	2024 £m
Key management compensation¹		
Short-term employee benefits	3.3	3.4
Termination benefits	-	0.7
Share-based payments	1.6	1.7
	4.9	5.8

1. Key management comprises the Directors of the Company, who have been determined to be the only individuals with authority and responsibility for planning, directing and controlling the activities of the Group.

Share dealings

No Director had any dealings in the shares of any Group company between 31 December 2025 and 24 February 2026, being a date not more than one month prior to the date of the notice convening the Annual General Meeting.

Other than as disclosed in these consolidated financial statements, no Director of the Company had a material interest in any contract (other than service contracts), transaction or arrangement with any Group company during the year ended 31 December 2025.

(b) Transactions between the Group and its subsidiaries and joint ventures

On 1 April 2025, NBIM Mary Limited, a subsidiary of Norges Bank Investment Management, acquired a 25 per cent non-controlling interest in Covent Garden Real Estate Holdings Limited ("Covent Garden estate"), a subsidiary of the Group. Prior to the transaction, NBIM already had a 23.5 per cent shareholding in the Group. Details of the transaction are set out in note 15 'Non-controlling interest'.

Transactions during the year between the Group and its subsidiaries and joint ventures, which are related parties, are disclosed in notes 14 'Investments in joint ventures and associates', 17 'Trade and other receivables' and 26 'Capital commitments'. During the year the Group received management fee income of £2.9 million (31 December 2024: nil) that was charged on an arm's length basis.

Notes to the financial statements *continued***29 Related party transactions continued****Property purchased by Directors of the Company**

A related party of the Group, Lillie Square GP Limited, entered into the following related party transaction as defined by IAS 24 'Related Party Disclosures':

- Situl Jobanputra, Chief Financial Officer of Shaftesbury Capital, and a family member own an apartment in the Lillie Square development. The disclosures in respect of this purchase were included in previous financial statements.
- Owners of apartments in the Lillie Square development are required to pay annual ground rent, insurance premium fees, maintenance work fees and bi-annual service charge fees, which for Directors are related party transactions. During 2025, £8,725 had been paid to a related party of the Shaftesbury Capital Group, Lillie Square GP Limited, in relation to these charges.

Transactions with Directors are conducted at fair and reasonable market prices based upon similar comparable transactions at that time. Where applicable, appropriate approval has been provided. Lillie Square GP Limited acts in the capacity of general partner to Lillie Square LP, a joint venture between the Group and KFI.

30 Share-based payments

The Group operates a number of share-based payment schemes relating to employee benefits and incentives. All schemes are equity settled with the increase in equity measured by reference to the fair value of the Group's equity instruments at the grant date of the share awards. The corresponding expense is recognised on a straight-line basis over the vesting period based on Group estimates of the number of shares that are expected to vest. The total expense recognised in the consolidated income statement in respect of share-based payments for 2025 was £8.3 million (31 December 2024: £3.1 million). £6.5 million (31 December 2024: £3.1 million) of the charge relates to share-based payments expense and £1.8 million (31 December 2024: nil) relates to National Insurance accrual. £0.6 million (31 December 2024: nil) of the £8.3 million has been recognised within non-underlying administration expenses.

All options have a vesting period of three years and a maximum contractual life of 10 years. The fair value of share awards is determined by the market price of the shares at the grant date.

Full details of the performance criteria, vesting outcomes and any additional holding periods for the Performance Share Plan are set out within the Directors' remuneration report on pages 123 to 147.

1. Performance Share Plan

Nil-cost options, deferred bonuses and conditional awards may be awarded under the Performance Share Plan ("PSP"). The Company may make a proportion of awards as HMRC approved market value options.

Share options outstanding at 31 December 2025 have an exercise price of nil and a weighted average remaining contractual life of five years and are exercisable between 2026 and 2030.

(a) Nil cost options and deferred bonus awards

	Number of nil cost and deferred bonus options	
	2025	2024
Outstanding at 1 January	11,906,773	6,476,714
Awarded during the year	5,729,674	5,430,059
Forfeited/lapsed during the year	(1,852,474)	-
Outstanding at 31 December	15,783,973	11,906,773
Exercisable at 31 December	615,090	-

(b) PSP conditional awards

	Number of PSP conditional awards	
	2025	2024
Outstanding at 1 January	5,534,484	3,230,147
Awarded during the year	2,850,906	2,899,064
Forfeited/lapsed during the year	(439,121)	(594,727)
Outstanding at 31 December	7,946,269	5,534,484
Exercisable at 31 December	44,119	-

2. Fair value of share-based payments

The fair value of share awards is calculated using the Black-Scholes option pricing model for the half that is subject to the total return performance condition and using the stochastic pricing model for the half that is subject to the total shareholder return performance condition. Inputs to the models for share awards granted during the years ended 31 December 2025 and 2024 are as follows:

	2025	2024
Closing share price at grant date	126p	135p
Exercise price	0p-126p	0p-135p
Expected option life	3-5 years	3-5 years
Risk-free rate	4.37%	3.24%
Expected volatility ¹	28.6-26.1%	30.3-31.5%
Expected dividend yield	0%	0%
Fair value per option	54p-126p	79p-135p

1. Expected volatility is a measure of an amount by which the share price is expected to fluctuate during the period. Volatility is calculated by determining the movement in share price over the period commensurate with the holding period immediately prior to the grant date.

Notes to the financial statements *continued***31 Related undertakings**

The Company's subsidiaries and other related undertakings at 31 December 2025 are listed below. All Group entities are included in the consolidated financial statements.

Unless otherwise stated, the Company holds 100 per cent of the voting rights and beneficial interests in the shares of the subsidiaries listed below. The share capital of each of the companies, where applicable, comprises ordinary shares unless otherwise stated.

Registered address: C/O Shepherd and Wedderburn LLP, 9 Haymarket Square, Edinburgh, Scotland, EH3 8FY

Related undertakings

Capco Investment London (No.6) Limited ^{1,2}	Capco Investment London (No.7) Scottish Limited Partnership ²
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1. Dormant entity.

2. Direct undertakings of the Company.

Registered address: 27 Esplanade, St Helier, Jersey, JE1 1SG

Related undertakings

Capital & Counties Properties (Jersey) 3 Limited ^{1,2}	Capvestco Limited ^{1,2} Innova Investment Holdings Limited
Capvestco Earls Court Limited	Lillie Square LP Limited

1. Dormant entity.

2. Direct undertakings of the Company.

Registered address: Regal House, 14 James Street, London, WC2E 8BU

Related undertakings

20 The Piazza Limited	Covent Garden Management Services Limited ^{1,2}
20 The Piazza Management Limited ¹	Covent Garden Real Estate Holdings Limited (75%)
22 Southampton Street Limited	Floral Court Collection Management Limited ¹
22 Southampton Street Management Limited ¹	Floral Court Limited
34 Henrietta Street Limited	Innova Investment Management Limited ¹
34 Henrietta Street Management Company Limited ¹	Lillie Square Clubhouse Limited (50%) ^{1,4} Lillie Square Developments Limited (50%) ⁴
C & C Management Services Limited ²	Lillie Square GP Limited (50%) ⁴
C&C Properties UK Limited ²	Lillie Square LP (50%) ⁴
Capco Covent Garden Limited ²	Lillie Square Management Limited (50%) ⁴
Capco Covent Garden Residential Limited	Lillie Square Nominee Limited (50%) ^{1,4}
Capco Group Treasury Limited ²	Shaftesbury AV Investment Limited
Capco London Limited ¹	Shaftesbury AV Limited
Capital & Counties CG Limited	Shaftesbury Carnaby Limited
Capital & Counties CGP	Shaftesbury Charlotte Street Limited ¹
Capital & Counties CG Nominee Limited ¹	Shaftesbury Chinatown PLC
Capital & Counties Limited ^{2,3}	Shaftesbury CL Investment Limited
Carnaby Estate Holdings Limited ¹	Shaftesbury CL Limited
Carnaby Investments Limited ¹	Shaftesbury Covent Garden Limited
Carnaby Property Investments Limited ¹	Shaftesbury Covent Garden Property Investments Limited ¹
Charlotte Street Estate Holdings Limited ¹	Shaftesbury Investments 2 Limited ¹
Chinatown Estate Holdings Limited ¹	Shaftesbury Investments 4 Limited ¹
Chinatown London Ltd ¹	Shaftesbury Investments 6 Limited ¹
Chinatown Property Investments Limited ¹	Shaftesbury Investments 7 Limited ¹
Covent Garden Estate Holdings Limited ¹	Shaftesbury Investments 8 Limited ¹
Covent Garden (43 Management) Limited ¹	Shaftesbury Investments 9 Limited ¹
Covent Garden (49 Wellington Street) Limited	Shaftesbury Investments 10 Limited ¹
Covent Garden Group Holdings Limited	Shaftesbury Limited ²
Covent Garden Holdings (No.1) Limited	Shaftesbury Soho Limited
Covent Garden Holdings (No.2) Limited	Shaftesbury West End Limited ¹
Covent Garden Holdings (No.3) Limited	

1. Dormant entity.

2. Direct undertakings of the Company.

3. Ordinary and non-voting deferred shares.

4. Equity accounted joint ventures and associates.

Shaftesbury Capital PLC Company balance sheet

As at 31 December 2025

	Note	2025 £m	2024 £m
Non-current assets			
Investments in Group companies	II	3,654.3	2,129.4
Trade and other receivables	III	2.2	1,523.4
		3,656.5	3,652.8
Current assets			
Trade and other receivables	III	0.6	0.5
Derivative financial instruments	IV	0.8	3.4
Cash and cash equivalents	V	310.4	-
		311.8	3.9
Total assets		3,968.3	3,656.7
Non-current liabilities			
Borrowings	VI	(71.1)	(542.7)
Derivative financial instruments	IV	-	(1.8)
		(71.1)	(544.5)
Current liabilities			
Borrowings	VI	(275.9)	-
Derivatives financial instruments	IV	(1.3)	-
Trade and other payables	VII	(950.0)	(16.1)
		(1,227.2)	(16.1)
Total liabilities		(1,298.3)	(560.6)
Net assets		2,670.0	3,096.1
Equity			
Share capital	25	488.2	488.2
Other components of equity		2,181.8	2,607.9
Total equity		2,670.0	3,096.1

The loss for the year attributable to shareholders of the Company is £360.4 million (31 December 2024: £39.7 million profit). References in Roman numerals refer to the notes to the Company financial statements, references in numbers refer to the notes to the Group financial statements.

These financial statements of Shaftesbury Capital PLC (registered number: 07145051) have been approved for issue by the Board of Directors on 24 February 2026 and signed on its behalf by:

Ian Hawksworth
Chief Executive

Situl Jobanputra
Chief Financial Officer

Shaftesbury Capital PLC Company statement of changes in equity

For the year ended 31 December 2025

	Note	Share capital £m	Share premium £m	Own shares ¹ £m	Capital redemption reserve £m	Merger reserve ² £m	Share-based payments reserve £m	Retained earnings £m	Total equity £m
At 1 January 2024		488.2	232.5	(0.8)	1.5	1,223.9	1.3	1,172.1	3,118.7
Profit and total comprehensive income for the year		-	-	-	-	-	-	39.7	39.7
Dividends	11	-	-	-	-	-	-	(65.4)	(65.4)
Fair value of share-based payments	30	-	-	-	-	-	3.1	-	3.1
Balance at 31 December 2024		488.2	232.5	(0.8)	1.5	1,223.9	4.4	1,146.4	3,096.1
Loss and total comprehensive expense for the year		-	-	-	-	-	-	(360.4)	(360.4)
Dividends	11	-	-	-	-	-	-	(72.2)	(72.2)
Fair value of share-based payments	30	-	-	-	-	-	6.5	-	6.5
Balance at 31 December 2025		488.2	232.5	(0.8)	1.5	1,223.9	10.9	713.8	2,670.0

1. Represents 3,146,886 shares held by the Group's Employee Benefit Trust in respect of employee share awards.

2. Represents non-qualifying consideration received by the Group following previous share placings and the all-share merger with Shaftesbury PLC in 2023. The amounts taken to the merger reserve do not currently meet the criteria for qualifying consideration and therefore will not form part of distributable reserves as they form part of linked transactions.

Shaftesbury Capital PLC Notes to the Company financial statements

I Principal accounting policies

General information

Shaftesbury Capital PLC (the “Company”) was incorporated and registered in England and Wales and domiciled in the United Kingdom on 3 February 2010 under the Companies Act as a public company limited by shares, registration number 7145051. The registered office of the Company is Regal House, 14 James Street, London, WC2E 8BU, United Kingdom. The principal activity of the Company is to act as the ultimate parent company of Shaftesbury Capital PLC Group (the “Group”), whose principal activity is the investment in and management of property.

Basis of preparation

The Company’s financial statements are prepared in accordance with Financial Reporting Standard 101 ‘Reduced Disclosure Framework’ (“FRS 101”), and in conformity with the requirements of the Companies Act 2006.

The Employee Benefit Trust (“EBT”) is consolidated on the basis that the Company has control. The assets and liabilities of the EBT are therefore included in the Company balance sheet and shares in the Company held by the EBT are presented as a deduction from equity.

The financial statements have been prepared on a going concern basis under the historical cost convention as modified for the revaluation of derivative financial instruments.

The Directors have taken advantage of the exemption offered by section 408 of the Companies Act 2006 and do not present a separate income statement or statement of comprehensive income for the Company.

In these financial statements, the Company has taken advantage of the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 7, ‘Financial instruments: Disclosures’;
- Paragraphs 91 to 99 of IFRS 13, ‘Fair value measurements’ (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, ‘Presentation of financial statements’, comparative information in respect of paragraph 79(a)(iv) of IAS 1 (reconciliation of number of shares at the beginning and end of the period);
- IAS 7, ‘Statement of cash flows’;
- Paragraphs 30 and 31 of IAS 8, ‘Accounting policies, changes in accounting estimates and errors’ (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but not yet effective);

- Paragraph 17 of IAS 24, ‘Related party disclosures’ (key management compensation); and
- The requirements in IAS 24, ‘Related party disclosures’ (to disclose related party transactions entered into between two or more members of the group).

In the current year, the Company has applied the below amendment to IFRS Standards and Interpretations issued by the International Accounting Standards Board that is effective for annual periods that begin on or after 1 January 2025:

- IAS 21 ‘The Effects of Changes in Foreign Exchange Rates’ (amendment) (Lack of Exchangeability).

The adoption of the above amendment has not had a material impact on the amounts reported in the financial statements or on the disclosures.

Going concern

The Company balance sheet is in a net current liability position of £915.4 million, primarily as a result of amounts owed to subsidiaries totalling £945.1 million which are classified as current liabilities. The subsidiaries are all under common control in the Group, and the balances are not due to external counterparties. The amounts owed to subsidiaries are repayable on demand however there is no intention or expectation for them to be called or repaid within the next 12 months.

In addition, the £275 million exchangeable bond matures in March 2026 and is classified as a current liability. As at 31 December 2025, the Company had access to £760.4 million of available undrawn facilities and cash resources to meet its current liabilities as they fall due.

Based on the analysis, the Directors are satisfied that there is a reasonable expectation that the Company will be able to meet its ongoing and future commitments for at least 12 months from the date of approval of the financial statements and have therefore resolved that the Company’s financial statements be prepared on a going concern basis.

Notes to the Company financial statements *continued***I Principal accounting policies *continued*****Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The review of the recoverability of the carrying value of the Company's investment in Group companies is a key source of estimation uncertainty.

The Company reviews the carrying value of its investments in Group companies at each reporting date to determine whether any indication of impairment exists. Where such an indication exists, the recoverable amount of the investment is estimated. The recoverable amount is determined with reference to the underlying fair value of the subsidiaries.

Other areas of judgement and estimation in the financial statements (which are not considered critical) include share-based payments.

Investments in Group companies

Investments in Group companies, which eliminate on consolidation, are stated in the Company's separate financial statements at cost less impairment losses, if any.

Impairment losses are determined with reference to the investments recoverability which is discussed above.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost. Trade and other receivables are subject to impairment review.

Derivative financial instruments

The Company uses non-traded derivative financial instruments to manage its exposure to interest rate risk. They are initially recognised on the trade date at fair value and subsequently remeasured at fair value based on market price. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Instruments that have not been designated as qualifying for hedge accounting are classified as fair value through profit and loss. Changes in the fair value of these instruments are split into interest (calculated as the accrued and realised cash flows) and other changes in fair value.

Cash and cash equivalents

Cash and cash equivalents are recognised at fair value. Cash and cash equivalents comprise cash on hand and deposits held at call with financial institutions.

Trade and other payables

Trade payables are obligations for goods or services acquired in the ordinary course of business. Trade and other payables are recognised at fair value and subsequently measured at amortised cost until settled.

Amounts owed to and by subsidiaries

Amounts owed to and by subsidiaries are recognised as fair value and subsequently measured at amortised cost until settled. Amounts receivable from subsidiaries are assessed for impairment by comparing the carrying value of the loans and receivables to the net asset value of the subsidiary or to the discounted present value of estimated cash flows if applicable.

Other

The accounting policies for share-based payments and borrowings are disclosed within note 1 'Principal accounting policies' to the Group financial statements.

The auditors' remuneration for audit and other services is disclosed in note 5 'Administration expenses' to the Group financial statements.

II Investments in Group companies

	2025 £m	2024 £m
At 1 January	2,129.4	2,129.4
Additions	1,878.4	–
Impairment	(353.5)	–
At 31 December	3,654.3	2,129.4

In the year ended 31 December 2025 there have been additions to investment in Group companies of £1,878.4 million (2024: nil) following a share subscription in Capco Covent Garden Limited which was settled via intercompany balances.

The carrying value of the Company investments was impaired by £353.5 million (2024: nil). The impairment loss was due to corporate restructuring activities in the year leading to a change in the overall net asset values of certain Group companies being assessed for impairment. The recoverable amount of the investments has been determined using their net asset values, comprising fair valued investment property, cash and debt at 31 December 2025.

III Trade and other receivables

	2025 £m	2024 £m
Non-current		
Amounts owed by subsidiaries	2.2	1,523.4
Trade and other receivables	2.2	1,523.4
Current		
Prepayments and accrued income	0.6	0.5
Trade and other receivables	0.6	0.5

Notes to the Company financial statements *continued*

IV Derivative financial instruments

	2025 £m	2024 £m
Derivative financial assets		
Current		
Interest rate derivatives	0.8	3.4
Derivative financial assets	0.8	3.4
Derivative financial liabilities		
Non-current		
Derivative liability – exchangeable bonds ¹	–	1.8
Current		
Derivative liability – exchangeable bonds ¹	1.3	–
Derivative financial liabilities	1.3	1.8

1. On 30 November 2020 the Company issued £275 million of secured exchangeable bonds maturing in March 2026. The net proceeds received from the issue of the exchangeable bonds have been split between the financial liability element and an option component, representing the fair value of the embedded option to convert the financial liability into equity of Shaftesbury. The debt component is accounted for at amortised cost at the effective interest rate method and the derivative liability is accounted for at fair value through profit or loss.

V Cash and cash equivalents

	2025 £m	2024 £m
Cash at hand	0.7	–
Cash on short-term deposits	309.7	–
Cash and cash equivalents	310.4	–

VI Borrowings

	2025						
	Carrying value £m	Secured £m	Unsecured £m	Fixed rate £m	Floating rate £m	Fair value £m	Nominal value £m
Current							
Exchangeable bonds ¹	275.9	275.9	–	275.9	–	274.2	275.0
	275.9	275.9	–	275.9	–	274.2	275.0
Non-current							
Bank loans	71.1	–	71.1	–	71.1	75.0	75.0
	71.1	–	71.1	–	71.1	75.0	75.0
Total borrowings	347.0						

1. Fair value of exchangeable bonds includes the fair value of the option component of £1.3 million as disclosed in note IV 'Derivative financial instruments'.

	2024						
	Carrying value £m	Secured £m	Unsecured £m	Fixed rate £m	Floating rate £m	Fair value £m	Nominal value £m
Non-current							
Bank loans	269.9	–	269.9	–	269.9	269.9	275.0
Exchangeable bonds ¹	272.8	272.8	–	272.8	–	263.1	275.0
Borrowings	542.7	272.8	269.9	272.8	269.9	533.0	550.0

1. Fair value of exchangeable bonds includes the fair value of the option component of £1.8 million as disclosed in note IV 'Derivative financial instruments'.

The Company has two revolving credit facilities totalling £450 million, which are undrawn at 31 December 2025.

The maturity profile of gross debt is as follows:

	2025 £m	2024 £m
Wholly repayable in one year	275.0	–
Wholly repayable in more than one year but not more than five years	75.0	550.0
	350.0	550.0

VII Trade and other payables

	2025 £m	2024 £m
Amounts owed to subsidiaries	945.1	10.5
Other payables	2.9	5.6
Accruals	2.0	–
Trade and other payables	950.0	16.1

Alternative performance and EPRA measures (unaudited)

For the year ended 31 December 2025

The Group has applied the European Securities and Markets Authority guidelines on alternative performance measures (“APMs”) in these results. An APM is a financial measure of historical or future financial performance, position or cash flow of the Group which is not a measure defined or specified in IFRS.

Many of the APMs included are based on the EPRA Best Practice Recommendations reporting framework, a set of standard disclosures for the property industry, which aims to improve the transparency, comparability and relevance of published results of public real estate companies in Europe.

The Group also uses underlying earnings, property portfolio and financial debt ratio APMs. Financial debt ratios are supplementary ratios which we believe are useful in monitoring the capital structure of the Group. Additionally, loan-to-value and interest cover are covenants within many of the Group’s borrowing facilities.

EPRA Net Reinstatement Value (“EPRA NRV”), EPRA Net Tangible Assets (“EPRA NTA”) and EPRA Net Disposal Value (“EPRA NDV”) are alternative performance measures that are calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (“EPRA”) to provide a transparent and consistent basis to enable comparison between European property companies. EPRA NTA is considered to be the most relevant measure for the Group’s operating activity and is the primary measure of net asset value.

Set out below and overleaf is a summary of the key Group APMs and EPRA performance measures included within this Annual Report.

APM measure – Group share basis	Definition of measure	Nearest IFRS measure	Explanation and reconciliation	2025	2024
Underlying earnings	EPRA earnings adjusted for items not considered part of the core underlying activities of the Group	Profit for the year attributable to owners of Parent	Note 3	£81.9m	£73.0m
Underlying earnings per share	Underlying earnings per weighted average number of ordinary shares	Basic earnings per share attributable to owners of the Parent	Note 3	4.5p	4.0p
Market value of property portfolio (Group share)	Market value of property portfolio on a Group share basis	Investment property	Note 12	£4,700.7m	£4,973.5m
Interest cover	Underlying gross profit and other income divided by net underlying finance costs	N/A	Note 23	396.4%	292.1%
Loan-to-value	Net debt, at nominal value and excluding tenant deposits, divided by market value of property portfolio	N/A	Note 23	17.3%	28.2%
Gross debt with interest rate protection	Proportion of drawn debt with interest rate protection, including interest on cash deposits	N/A	Note 23	100%	100%
Weighted average cost of debt – gross	Cost of debt weighted by the drawn balance of external borrowings	N/A	Financial review, page 42	3.6%	4.0%
Weighted average cost of debt – net	Cost of debt weighted by the drawn balance of external borrowings, taking account of interest income on cash deposits and interest rate derivatives	N/A	Financial review, page 42	3.4%	3.7%
Cash and undrawn committed facilities	Group share cash and cash equivalents, excluding tenant deposits, plus undrawn committed facilities	N/A	Financial review, page 42	£1,014.1m	£559.8m
Net debt to EBITDA	Net debt, at nominal value, excluding tenant deposits, divided by EBITDA	N/A	Table 4	6.6x	10.9x
Total accounting return (“TAR”)	The movement in EPRA NTA per share plus dividends per share paid during the year	N/A	Table 5	9.1%	7.0%
Total property return (“TPR”)	Capital growth including gains and losses on disposals plus rent received (less associated costs) including ground rent	N/A	Table 6	10.1%	7.6%

Alternative performance and EPRA measures (unaudited) *continued*

APM measure – Group share basis <i>continued</i>	Definition of measure	Nearest IFRS measure	Explanation and reconciliation	2025	2024
Cost ratio	Total Group share underlying costs, excluding non-cash share-based payments, as a percentage of Group share gross rental income	N/A	Table 7	33.1%	36.2%
Like-for-like rental growth	Compares the growth of net rental income for properties which have been owned throughout both years without significant expenditure in either year	N/A	Table 8	5.9%	N/A
EPRA measure	Definition of measure	Nearest IFRS measure	Explanation and reconciliation	2025	2024
EPRA earnings	Earnings that reflect the operational performance of the Group	Profit for the year attributable to owners of the Parent	Note 3	£88.6m	£75.3m
EPRA earnings per share	EPRA earnings per weighted average number of ordinary shares	Basic earnings per share attributable to owners of the Parent	Note 3	4.9p	4.1p
EPRA NTA	Net asset value adjusted to include properties at fair value and exclude items not expected to crystallise in a long-term investment property business model	Net assets attributable to owners of the Parent	Note 3	£3,954.9m	£3,671.1m
EPRA NTA per share	EPRA NTA per the diluted number of ordinary shares	Net assets per share attributable to owners of the Parent	Note 3	214.7p	200.2p
EPRA NDV	EPRA NTA amended to include the fair value of financial instruments and debt	Net assets attributable to owners of the Parent	Note 3	£3,959.4m	£3,725.2m
EPRA NDV per share	EPRA NDV per diluted number of ordinary shares	Net assets per share attributable to owners of the Parent	Note 3	214.9p	203.2p
EPRA NRV	EPRA NTA amended to include real estate transfer tax	Net assets attributable to owners of the Parent	Note 3	£4,271.0m	£4,004.2m
EPRA NRV per share	EPRA NRV per diluted number of ordinary shares	Net assets per share attributable to owners of the Parent	Note 3	231.8p	218.4p
EPRA net initial yield	Annualised rental income less non-recoverable costs as a percentage of market value plus assumed purchaser's costs	N/A	Table 9	3.7%	3.8%
EPRA topped-up initial yield	Net initial yield adjusted for the expiration of rent-free periods	N/A	Table 9	4.0%	4.1%
EPRA vacancy	ERV of un-let units (including those under offer) expressed as a percentage of the ERV of the property portfolio under management excluding units under development	N/A	Table 10	4.2%	3.9%
Capital expenditure	Capital expenditure on acquisition and development of investment property portfolio	N/A	Table 11	£116.6m	£131.4m
EPRA cost ratio	Total costs as a percentage of gross rental income (including direct vacancy costs)	N/A	Table 12	40.2%	38.9%
	Total costs as a percentage of gross rental income (excluding direct vacancy costs)	N/A	Table 12	38.8%	34.9%
EPRA LTV (loan-to-value)	Ratio of adjusted net debt, including net payables, to the sum of the net assets, including net receivables, of the Group, its subsidiaries, joint ventures and associates, all on a proportionate basis, expressed as a percentage	N/A	Table 13	16.8%	27.4%

Where this report uses like-for-like comparisons, these are defined within the Glossary.

Alternative performance and EPRA measures (unaudited) *continued*

The summaries below set out the reconciliation from IFRS to underlying and EPRA metrics used in calculating alternative performance and EPRA measures:

1. Summary income statement

	2025				2024		
	IFRS £m	Adjustment for non- controlling interest £m	EPRA and non- underlying adjustments £m	Underlying earnings £m	IFRS £m	EPRA and non- underlying adjustments £m	Underlying earnings £m
Revenue ¹	216.3	(20.7)	-	195.6	205.0	-	205.0
Costs ¹	(38.6)	4.1	-	(34.5)	(37.9)	-	(37.9)
Gross profit	177.7	(16.6)	-	161.1	167.1	-	167.1
Other income	3.0	-	-	3.0	-	-	-
Gain on revaluation and sale of investment property	321.8	(35.7)	(286.1)	-	194.6	(194.6)	-
Administration expenses ²	(50.2)	3.3	5.9	(41.0)	(42.7)	3.3	(39.4)
Share of profit from associate	-	-	-	-	4.5	(1.7)	2.8
Net underlying finance costs	(43.3)	1.9	-	(41.4)	(57.2)	-	(57.2)
Other ³	(21.9)	-	21.9	-	(13.9)	13.9	-
Taxation	0.3	(0.1)	-	0.2	(0.3)	-	(0.3)
Profit for the year	387.4	(47.2)	(258.3)	81.9	252.1	(179.1)	73.0

1. Revenue and costs exclude service charge income and expenses of £22.6 million (31 December 2024: £22.1 million).

2. Underlying administration expenses excludes £5.9 million (31 December 2024: £3.3 million) non-recurring corporate and transaction related costs.

3. Includes impairment of other receivables, other finance income and costs including the change in fair value of derivatives and loss on sale of investments and subsidiaries.

2. Summary balance sheet

	2025		
	IFRS £m	Adjustment for non- controlling interest £m	Group share £m
Property portfolio - carrying value ¹	5,358.0	(697.1)	4,660.9
Net debt	(901.5)	88.2	(813.3)
Other assets and liabilities	111.6	(5.0)	106.6
Non-controlling interest	(613.9)	613.9	-
Net assets	3,954.2	-	3,954.2
EPRA adjustments	0.7	-	0.7
EPRA net assets	3,954.9	-	3,954.9

1. Includes £20.7 million accounted for as owner-occupied property.

3. Summary cash flow

	2025		
	IFRS £m	Adjustment for non- controlling interest £m	Group share £m
Cash excluding tenant deposits at 1 January	109.8	-	109.8
Non-controlling interest's share of cash acquired	-	(7.5)	(7.5)
Operating inflow ¹	115.1	(11.1)	104.0
Investing outflow	(111.0)	3.9	(107.1)
Financing inflow	306.6	-	306.6
Dividends paid	(74.6)	7.9	(66.7)
Cash excluding tenant deposits at 31 December	345.9	(6.8)	339.1

1. Operating inflow excludes the movement in tenant deposits of £1.3 million, which has been included in operating cash inflow of £116.4 million as per the consolidated statement of cash flows.

Alternative performance and EPRA measures (unaudited) *continued***Alternative performance measures - Group share basis**

The APM measures included in tables four to eight have been presented on a Group share basis and therefore exclude amounts allocated to non-controlling interest and the Lillie Square joint venture.

4. Net debt to EBITDA

Group share	Note	2025 £m	2024 £m
Underlying gross profit	Table 1	161.1	167.1
Underlying other income	Table 1	3.0	-
Underlying administration expenses	Table 1	(41.0)	(39.4)
		123.1	127.7
Adjusted for:			
Depreciation		0.8	0.7
EBITDA (A)		123.9	128.4
Net debt (B)¹	Table 2	813.3	1,405.0
Net debt to EBITDA (B/A)		6.6x	10.9x

1. Prior year net debt of £1,405.0 million can be reconciled to note 20 'Borrowings'.

5. Total accounting return

	Note	2025	2024
Opening EPRA NTA (A)¹	3	200.2p	190.3p
Closing EPRA NTA¹	3	214.7p	200.2p
Increase in the year		14.5p	9.9p
Adjusted for:			
Dividends per share paid in the current year	11	3.7p	3.4p
Total accounting return (B)		18.2p	13.3p
Total accounting return % (B/A)		9.1%	7.0%

1. EPRA NTA has been calculated in line with EPRA Best Practice Recommendations and therefore includes our share of the Lillie Square joint venture.

6. Total property return

	Note	2025 £m	2024 £m
Gross profit	Table 1	161.1	167.1
Gain on revaluation and sale of investment property	Table 1	286.1	194.6
Total capital return (A)		447.2	361.7
Market value of property portfolio (Group share)	12	4,700.7	4,973.5
Gain on revaluation and sale of investment property	Table 1	(286.1)	(194.6)
Capital employed (B)		4,414.6	4,778.9
Total property return % (A/B)		10.1%	7.6%

7. Cost ratio

	Note	2025 £m	2024 £m
Revenue (A)	Table 1	195.6	205.0
Costs	Table 1	34.5	37.9
Administration expenses	Table 1	41.0	39.4
Less: share-based payments	5	(7.7)	(3.1)
Other income ¹	Table 1	(3.0)	-
Total costs (B)		64.8	74.2
Cost ratio (B/A)		33.1%	36.2%

1. Asset management fees, broadly reflecting the costs of managing the estate, are earned by the Group in relation to the Covent Garden estate following the 25 per cent investment by NBIM.

Alternative performance and EPRA measures (unaudited) *continued***8. Like-for-like rental growth**

Rental income for the previous year is presented below on a pro-forma basis to reflect the Group's rental growth on a like-for-like basis following the completion of the long-term partnership with NBIM on 1 April 2025.

Rental income for each year includes 100 per cent of the portfolio for the period 1 January to 31 March and excludes amounts allocated to non-controlling interest for the period 1 April to 31 December; see note 12 'Property portfolio' for valuation attributable to non-controlling interest to which this income relates. Both years exclude rental income from joint ventures or associates, and do not include income relating to £1.9 million of Group properties held in Lillie Square LP Limited (wholly-owned subsidiary).

The like-for-like rental growth compares the rental income of properties which have been owned throughout both periods without significant capital expenditure in either year. Refer to note 12 'Property portfolio', for further details of the portfolio including acquisitions and disposals. Properties classified as in development, where no income generating part remained in operation during the period of development, were valued at £58.0 million at 31 December 2025.

	Note	2025 £m
Rental income in current year¹	4	216.3
Adjusted for non-controlling interest		(20.7)
Rental income for the current year		195.6
Adjusted for impact of:		
Acquisitions		(4.9)
Properties in development ²		(0.9)
Like-for-like rental income in current year (A)		189.8
Rental income in previous year	4	205.0
Adjusted for non-controlling interest		(19.7)
Pro-forma adjusted rental income previous year		185.3
Adjusted for impact of:		
Acquisitions		(2.5)
Disposals		(3.4)
Properties in development ²		(0.1)
Like-for-like rental income in prior year (B)		179.3
Like-for-like growth in rental income ((A-B)/B)		5.9%

1. Revenue as reported in the consolidated income statement, excluding service charge income.

2. Development properties are defined as properties where no income generating part remained operational during the period of development. The income pre and post development is removed for like-for-like purposes.

EPRA measures

The EPRA measures included in tables nine to 13 have been calculated in line with EPRA Best Practice Recommendations.

9. EPRA net initial yield and EPRA 'topped-up' net initial yield

	Note	2025 £m	2024 £m
Investment property – Group share	12	4,700.7	4,973.5
Investment property – share of joint ventures and associates		42.5	43.7
Trading property (including share of joint ventures)		19.8	21.6
Less: developments		(161.4)	(228.0)
Completed property portfolio		4,601.6	4,810.8
Allowance for estimated purchasers' costs		316.1	333.1
Gross up completed property portfolio valuation (A)		4,917.7	5,143.9
Annualised cash passing rental income		189.7	204.7
Property outgoings		(6.3)	(6.9)
Annualised net rents (B)		183.4	197.8
Add: notional rent expiration of rent periods or other lease incentives		13.1	14.9
Topped-up net annualised rent (C)		196.5	212.7
EPRA net initial yield (B/A)		3.7%	3.8%
EPRA 'topped-up' net initial yield (C/A)		4.0%	4.1%

10. EPRA vacancy rate

	2025 £m	2024 £m
Estimated rental value of vacant space	10.8	9.3
Estimated rental value of the portfolio less refurbishment estimated rental value	259.0	237.1
EPRA vacancy rate for property portfolio under management	4.2%	3.9%

EPRA vacancy rate includes units under offer, net of which vacancy relating to units available to let is 2.6 per cent (31 December 2024: 2.6 per cent). Investment properties held within the joint venture at Lillie Square totalling £42.5 million (the Group's share) (31 December 2024: £43.7 million (the Group's share)) are not included in the vacancy rate above.

Alternative performance and EPRA measures (unaudited) *continued*

11. Property related capital expenditure

	2025				2024		
	Group (excluding joint ventures) £m	Adjustment for non- controlling interest £m	Joint ventures £m	Total Group £m	Group (excluding joint ventures and associates) £m	Joint ventures and associates £m	Total Group £m
Acquisitions	85.4	(0.3)	-	85.1	84.9	-	84.9
Development	-	-	0.1	0.1	-	0.2	0.2
Investment property							
Incremental lettable space	7.4	(1.4)	-	6.0	2.0	-	2.0
No incremental lettable space	25.4	(2.3)	-	23.1	38.3	0.8	39.1
Tenant lease incentives	0.3	-	-	0.3	2.8	-	2.8
Capitalised interest	-	-	-	-	-	-	-
Total CapEx	118.5	(4.0)	0.1	114.6	128.0	1.0	129.0
Conversion from accrual to cash basis	1.9	0.1	-	2.0	2.4	-	2.4
Total CapEx on cash basis	120.4	(3.9)	0.1	116.6	130.4	1.0	131.4

Further detail on the capital expenditure and acquisitions incurred in the year can be found in the Operating and portfolio review on pages 27 to 36.

12. EPRA cost ratio

	Note	2025 £m	2024 £m
Administration expenses ¹	5	50.2	42.7
Total property outgoings	4	57.9	56.1
Provision for expected credit loss	4	3.3	3.9
Less: Service charge expense	4	(22.6)	(22.1)
Management fee		(3.0)	(0.1)
Share of joint ventures and associates expenses		2.1	2.9
Exclude:			
Ground rent cost		(0.3)	(0.4)
EPRA costs (including direct vacancy costs) (A)		87.6	83.0
Direct vacancy costs		(2.9)	(8.6)
EPRA costs (excluding direct vacancy costs) (B)		84.7	74.4
Gross rental income less ground rent costs		238.6	226.7
Less: Service charge income	4	(22.6)	(22.1)
Share of joint ventures and associates property income		2.1	8.8
Adjusted gross rental income (C)		218.1	213.4
EPRA cost ratio (including direct vacancy costs) (A/C)		40.2%	38.9%
EPRA cost ratio (excluding direct vacancy costs) (B/C)		38.8%	34.9%

1. £0.8 million (31 December 2024: £0.7 million) of administration expenses were capitalised during the year. These capitalised costs mainly relate to employee costs as it is the Group's policy to capitalise directly attributable overheads and operating expenses to assets under refurbishment or development.

Alternative performance and EPRA measures (unaudited) *continued*

13. EPRA LTV

	2025			
	Group £m	Adjustment for non- controlling interest £m	Share of joint ventures £m	Total £m
Borrowings from financial institutions	(972.4)	95.0	–	(877.4)
Exchangeable bonds	(275.0)	–	–	(275.0)
Net payables	57.0	(0.3)	(59.5)	(2.8)
Exclude:				
Cash and cash equivalents ¹	361.4	(10.7)	5.7	356.4
EPRA net debt (B)	(829.0)	84.0	(53.8)	(798.8)
Investment property at fair value	5,386.4	(706.4)	42.5	4,722.5
Owner-occupied property at fair value	20.7	–	–	20.7
Properties under development	–	–	19.8	19.8
Total property value (A)	5,407.1	(706.4)	62.3	4,763.0
EPRA LTV (B/A)				16.8%

1. Includes tenant deposits of £15.5 million (non-controlling interest £3.9 million) held as security against tenant rent payments which are subject to certain restrictions and therefore not available for general use by the Group.

	2024		
	Group £m	Share of joint ventures and associates £m	Total £m
Borrowings from financial institutions	(1,239.8)	–	(1,239.8)
Exchangeable bonds	(275.0)	–	(275.0)
Exclude:			
Cash and cash equivalents ¹	124.0	4.9	128.9
EPRA net debt (B)	(1,390.8)	4.9	(1,385.9)
Investment properties at fair value	4,943.6	43.7	4,987.3
Owner-occupied property at fair value	20.1	–	20.1
Property held for sale at fair value	9.8	–	9.8
Properties under development	–	21.6	21.6
Net receivables	85.5	(61.5)	24.0
Total property value (A)	5,059.0	3.8	5,062.8
EPRA LTV (B/A)			27.4%

1. Includes tenant deposits of £14.2 million held as security against tenant rent payments which are subject to certain restrictions and therefore not available for general use by the Group.

Analysis of property portfolio (unaudited)

For the year ended 31 December 2025

Property portfolio valuation by use

31 December 2025	Retail	Food & beverage	Offices	Total Commercial	Residential	Portfolio under management	Portfolio on a Group share basis
Valuation (£m) ¹	1,977.6	1,782.0	1,006.8	4,766.4	638.8	5,405.2	4,698.8
Valuation (%)	36%	33%	19%	88%	12%	100%	100%
L-f-L valuation movement (FY 2025)	+10.4%	+5.8%	+5.6%	+7.6%	-0.6%	+6.6%	+6.7%
L-f-L valuation movement (H2 2025)	+5.8%	+2.8%	+2.5%	+4.0%	-0.3%	+3.4%	+3.5%
Annualised gross income (£m)	75.8	76.4	39.0	191.2	23.8	215.0	187.6
Annualised gross income (%)	35%	36%	18%	89%	11%	100%	100%
L-f-L annualised gross income movement (FY 2025)	+3.2%	+5.0%	+12.0%	+5.6%	+3.2%	+5.3%	+5.4%
L-f-L annualised gross income movement (H2 2025)	+3.4%	+3.4%	+2.5%	+3.2%	+2.0%	+3.1%	+2.9%
ERV (£m)	97.9	89.3	57.1	244.3	26.0	270.3	234.8
ERV (%)	36%	33%	21%	90%	10%	100%	100%
ERV psf (£)	137	95	83	104	62	98	98
L-f-L ERV movement (FY 2025)	+8.1%	+4.9%	+5.8%	+6.4%	+4.4%	+6.2%	+6.3%
L-f-L ERV movement (H2 2025)	+4.7%	+2.3%	+1.6%	+3.1%	+2.2%	+3.0%	+3.0%
Net initial yield	3.6%	3.9%	3.4%	3.7%	3.0%	3.6%	3.6%
Topped-up net initial yield	3.8%	4.2%	3.8%	3.9%	N/A	3.9%	3.9%
Equivalent yield	4.5%	4.6%	4.8%	4.6%	3.3%	4.4%	4.4%
WAULT (years)	3.1	8.1	2.7	4.8	N/A	4.8	4.8 ³
Floor area (sq ft m) ²	0.8	0.9	0.7	2.4	0.4	2.8	2.8 ³
Unit count ²	419	392	436	1,247	659	1,906	1,906 ³

1. Excludes £1.9 million of Group properties primarily held in Lillie Square LP Limited (a wholly-owned subsidiary).

2. Excludes long-leasehold residential interests.

3. WAULT, floor area and unit count have not been adjusted and reflect 100 per cent of the portfolio.

Analysis of property portfolio (unaudited) *continued*

Property portfolio valuation by location

31 December 2025	Covent Garden	Carnaby Soho	Chinatown	Portfolio under management	Portfolio on a Group share basis
Valuation (£m) ¹	2,825.5	1,816.9	762.8	5,405.2	4,698.8
Valuation (%)	52%	34%	14%	100%	100%
L-f-L valuation movement (FY 2025)	+5.5%	+8.5%	+6.4%	+6.6%	+6.7%
L-f-L valuation movement (H2 2025)	+2.7%	+4.8%	+3.1%	+3.4%	+3.5%
Annualised gross income (£m)	109.5	72.2	33.3	215.0	187.6
Annualised gross income (%)	51%	34%	15%	100%	100%
L-f-L annualised gross income movement (FY 2025)	+4.8%	+6.8%	+4.0%	+5.3%	+5.4%
L-f-L annualised gross income movement (H2 2025)	+4.2%	+2.0%	+1.9%	+3.1%	+2.9%
ERV (£m)	142.1	91.9	36.3	270.3	234.8
ERV (%)	53%	34%	13%	100%	100%
ERV psf (£)	102	99	86	98	98
L-f-L ERV movement (FY 2025)	+5.6%	+7.5%	+5.5%	+6.2%	+6.3%
L-f-L ERV movement (H2 2025)	+3.3%	+2.9%	+2.2%	+3.0%	+3.0%
Net initial yield	3.5%	3.5%	3.9%	3.6%	3.6%
Topped-up net initial yield	3.9%	3.8%	4.3%	3.9%	3.9%
Equivalent yield	4.5%	4.4%	4.2%	4.4%	4.4%
WAULT (years)	4.8	4.1	6.5	4.8	4.8 ³
Floor area (sq ft m) ²	1.5	0.9	0.4	2.8	2.8 ³
Unit count ²	854	702	350	1,906	1,906 ³

1. Excludes £1.9 million of Group properties primarily held in Lillie Square LP Limited (a wholly-owned subsidiary).

2. Excludes long-leasehold residential interests.

3. WAULT, floor area and unit count have not been adjusted and reflect 100 per cent of the portfolio.

Historical record (unaudited)

For the year ended 31 December 2025

Continuing and discontinued operations

Consolidated income statement	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Gross profit	177.7	167.1	141.9	57.3	52.0
Other income	3.0	-	2.7	13.5	2.7
Gain/(loss) on revaluation and sale of investment property	321.8	194.6	(65.0)	(0.8)	(15.8)
Change in value of investments and other receivables	(6.5)	(7.0)	(12.5)	(7.9)	-
Revaluation of equity investment	-	-	52.0	(239.5)	44.6
Non-recurring costs	(5.9)	(3.3)	(44.5)	(14.6)	(68.6)
Administration expenses	(44.3)	(39.4)	(39.3)	(26.0)	(22.7)
Operating profit/(loss)	445.8	312.0	35.3	(218.0)	(7.8)
Net finance (costs)/income	(52.0)	(60.1)	(90.4)	12.2	(44.4)
Profit/(loss) after finance costs	393.8	251.9	(55.1)	(205.8)	(52.2)
Gain on bargain purchase	-	-	805.5	-	-
Loss on sale of associate	-	(4.0)	-	-	-
Loss on sale of investments and subsidiaries	(6.7)	-	-	-	-
Profit from joint ventures and associates	-	4.5	0.2	-	-
Profit/(loss) before tax	387.1	252.4	750.6	(205.8)	(52.2)
Taxation	0.3	(0.3)	(0.2)	(6.0)	(0.7)
Profit/(loss) for the year	387.4	252.1	750.4	(211.8)	(52.9)
Profit/(loss) attributable to:					
Owners of the Parent	340.2	252.1	750.4	(211.8)	(52.9)
Non-controlling interest	47.2	-	-	-	-

Historical record (unaudited) *continued*

Continuing and discontinued operations *continued*

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Consolidated balance sheet					
Investment property	5,337.3	4,899.1	4,740.2	1,715.1	1,705.6
Other non-current assets	139.0	156.1	224.9	485.4	713.3
Cash and cash equivalents	361.4	124.0	200.2	129.9	331.1
Other current assets	43.2	42.9	51.0	20.8	48.9
Assets held for sale	-	9.8	-	-	-
Total assets	5,880.9	5,231.9	5,216.3	2,351.2	2,798.9
Non-current borrowings, including lease liabilities	(774.7)	(1,470.5)	(1,534.8)	(738.3)	(934.9)
Other non-current liabilities	-	(1.8)	(9.9)	(8.7)	(37.5)
Current borrowings, including lease liabilities	(438.7)	(0.3)	(94.9)	-	-
Other current liabilities	(99.4)	(85.0)	(96.5)	(42.6)	(39.7)
Total liabilities	(1,312.8)	(1,557.6)	(1,736.1)	(789.6)	(1,012.1)
Net assets	4,568.1	3,674.3	3,480.2	1,561.6	1,786.8
Net assets attributable to:					
Owners of the Parent	3,954.2	3,674.3	3,480.2	1,561.6	1,786.8
Non-controlling interest	613.9	-	-	-	-
Per share information	Pence	Pence	Pence	Pence	Pence
Basic earnings/(loss) per share attributable to owners of the Parent	18.7	13.8	45.5	(24.9)	4.1
Underlying earnings per share ¹	4.5	4.0	3.7	2.2	0.1
Basic net assets per share attributable to owners of the Parent	214.6	200.4	190.3	183.2	209.7
EPRA NTA per share	214.7	200.2	190.3	182.1	213.0
Dividend per share	4.00	3.50	3.15	2.50	1.50

1. Underlying earnings for the year ended 31 December 2025 is £81.9 million (31 December 2024: £73.0 million).

Board and advisers

Chairman

Jonathan Nicholls

Executive Directors

Ian Hawksworth, Chief Executive

Situl Jobanputra, Chief Financial Officer

Non-executive Directors

Sian Westerman

Richard Akers

Ruth Anderson

Madeleine Cosgrave

Company Secretary

Ruth Pavey

General Counsel

Alison Fisher

Registered office

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London

WC2E 8BU

Telephone: +44 (0) 20 3214 9150

Registered number

7145051

Websites

www.shaftesburycapital.com

www.chinatown.co.uk

www.coventgarden.london

www.thisissoho.co.uk

Independent auditors

PricewaterhouseCoopers LLP

Solicitors

Herbert Smith Freehills Kramer LLP

Financial adviser

Rothschild & Co.

Corporate brokers

Jefferies International Limited

Peel Hunt LLP

UBS AG London Branch

South Africa sponsor

Java Capital Trustees and Sponsors Proprietary Limited

Dividends

The Directors of Shaftesbury Capital PLC have proposed a final cash dividend of 2.1 pence per ordinary share (ISIN GB00B62G9D36) payable on Friday, 22 May 2026.

Dates

The following are the salient dates for the payment of the proposed 2025 final cash dividend:

Proposed 2025 final dividend announced	Wednesday, 25 February 2026
Sterling/Rand exchange rate struck	Wednesday, 8 April 2026
Sterling/Rand exchange rate and dividend amount in Rand announced by 11.00 am (Johannesburg time)	Thursday, 9 April 2026
Last day to trade cum-dividend*	Tuesday, 21 April 2026
Ordinary shares listed ex-dividend on the Johannesburg Stock Exchange	Wednesday, 22 April 2026
Ordinary shares listed ex-dividend on the London Stock Exchange	Thursday, 23 April 2026
Record date for the 2025 final dividend in UK and South Africa	Friday, 24 April 2026
Deadline for submission of declaration of eligibility to receive gross PID payment to UK registrar	Friday, 24 April 2026 (COB)
Annual General Meeting	Thursday, 14 May 2026
Dividend payment date for shareholders	Friday, 22 May 2026

The proposed 2025 final cash dividend is subject to approval at the Company's Annual General Meeting, to be held on Thursday, 14 May 2026.

*South African shareholders should note that, in accordance with the requirements of Strate, the last day to trade cum-dividend on the Johannesburg Stock Exchange will be Tuesday, 21 April 2026. No dematerialisation or rematerialisation of shares will be possible from Wednesday, 22 April 2026 to Friday, 24 April 2026 inclusive. No transfers between the UK and South African registers may take place from close of business on Thursday, 9 April 2026 to Friday, 24 April 2026 inclusive.

The above dates are proposed and subject to change.

The proposed 2025 final cash dividend will be paid wholly as a Property Income Distribution ("PID"). There will be no Non-PID (ordinary dividend) element of the final cash dividend. As such, the entire final cash dividend will be subject to a deduction of a 20 per cent UK withholding tax unless exemptions apply.

Information for shareholders

The information below is included only as a general guide to taxation for shareholders based on Shaftesbury Capital's understanding of the law and the practice currently in force. Any shareholder who is in any doubt as to their tax position should seek independent professional advice.

UK shareholders

The proposed 2025 final cash dividend will be paid wholly as a PID. Certain categories of shareholders may be eligible for exemption from the 20 per cent UK withholding tax and may register to receive their dividends on a gross basis. Further information, including the required forms, is available from the 'Investor Information' section of the Company's website (<https://www.shaftesburycapital.com/en/investors/investor-information.html>), or on request from the Company's UK registrar, MUFG Corporate Markets. Validly completed forms must be received by MUFG Corporate Markets no later than the dividend record date, as advised; otherwise the dividend will be paid after deduction of tax.

There will be no Non-PID element of the final cash dividend.

Dividends *continued*

South African shareholders

The proposed 2025 final cash dividend proposed by the Company is a foreign payment and the funds are sourced from the UK.

PID: The proposed 2025 final cash dividend will be paid wholly as a PID and a 20 per cent UK withholding tax is applicable to a PID. As such, South African shareholders may apply to HMRC after payment of the proposed 2025 final cash dividend for a refund of the difference between the 20 per cent UK withholding tax and the UK/South African double taxation treaty rate of 15 per cent.

The proposed 2025 final cash dividend will be exempt from income tax but will constitute a dividend for Dividends Tax purposes, as it will be declared in respect of a share listed on the exchange operated by the JSE. South African Dividends Tax will therefore be withheld from the proposed 2025 final cash dividend at a rate of 20 per cent, unless a shareholder qualifies for an exemption and the prescribed requirements for effecting the exemption are in place by the requisite date. Certain shareholders may also qualify for a reduction of South African Dividends Tax liability to 5 per cent (being the difference between the South African dividends tax rate and the effective UK withholding tax rate of 15 per cent) if the prescribed requirements for effecting the reduction are in place by the requisite date.

Non-PID: There will be no Non-PID element of the proposed 2025 final cash dividend.

Other overseas shareholders

Other non-UK shareholders may be able to make claims for a refund of UK withholding tax deducted pursuant to the application of a relevant double taxation convention. UK withholding tax refunds can only be claimed from HMRC, the UK tax authority.

Additional information on PIDs and ordinary dividends (Non-PIDs) can be found at <https://www.shaftesburycapital.com/en/investors/investor-information/reit.html>

Glossary

Annualised gross income

Total annualised actual and “estimated income” from leases at a valuation date. It includes sundry non-leased income and estimated turnover related rents. No rent is attributed to leases which were subject to rent-free periods at that date. It does not reflect any head rents and estimated irrecoverable outgoings at the valuation date. “Estimated income” refers to gross ERVs in respect of rent reviews outstanding at the valuation date and, where appropriate, ERV in respect of lease renewals outstanding at the valuation date where the fair value reflects terms for a renewed lease.

APM (alternative performance measure)

A financial measure of historical or future financial performance, position or cash flows of the Group which is not a measure defined or specified in IFRS.

BREEAM

Building Research Establishment Environmental Assessment Method is a method of assessing, rating and certifying sustainability of buildings.

Cash and undrawn committed facilities

Cash and cash equivalents, excluding tenant deposits, plus undrawn committed facilities.

CDP

CDP Worldwide, a global not-for-profit sustainability disclosure system. Shaftesbury Capital participates in the CDP Climate Change Programme, which measures progress on climate change disclosure.

Contracted income

Includes rent frees and contracted rent increases.

Covent Garden partnership

A long-term partnership with NBIM, the Norwegian sovereign wealth fund, in respect of the Covent Garden estate. On 1 April 2025, Shaftesbury Capital sold a 25 per cent non-controlling interest in the Covent Garden estate to NBIM with Shaftesbury Capital retaining 75 per cent ownership and management control over the estate.

CRREM

Carbon Risk Real Estate Monitor. The leading global standard and initiative for operational decarbonisation of real estate assets.

EBITDA

EBITDA represents underlying earnings before interest, tax, depreciation and amortisation.

Embodied carbon

The total carbon emissions generated during the creation or refurbishment of a product. Including the extraction, manufacture, transportation, processing, assembly,

replacement and deconstruction of the materials required to create or refurbish the product.

EPC (Energy Performance Certificate)

An asset rating setting out how energy efficient a building is, rated by its carbon dioxide emission on a scale of A to G, with A being the most energy efficient.

EPRA

European Public Real Estate Association, the publisher of Best Practice Recommendations intended to make financial statements of public real estate companies in Europe clearer, more transparent and comparable.

EPRA cost ratio (including direct vacancy costs)

EPRA cost ratio (including direct vacancy costs) is a proportionally consolidated measure of the ratio of net overheads and operating expenses against gross rental income (with both amounts excluding ground rents payable). Net overheads and operating expenses relate to all administrative and operating expenses, net of any service fees, recharges or other income specifically intended to cover overhead and property expenses.

EPRA cost ratio (excluding direct vacancy costs)

EPRA cost ratio (excluding direct vacancy costs) is the ratio defined above, but with direct vacancy costs removed from the net overheads and operating expenses balance.

EPRA earnings per share

Profit or loss for the year excluding amounts allocated to non-controlling interest excluding valuation movements on properties, fair value changes of financial instruments, cost of early close out of debt, merger-related integration and other transaction costs unlikely to reoccur in the foreseeable future, divided by the weighted average number of shares in issue during the year.

EPRA LTV (loan-to-value)

Ratio of net debt, including net payables, to the sum of the net assets, including net receivables, of the Group, its subsidiaries and joint ventures and associates, all on a proportionately consolidated basis, expressed as a percentage. The calculation includes trading properties at fair value and debt at nominal value.

EPRA NDV (net disposal value) per share

The net assets attributable to owners of the Parent as at the end of the year including the excess of the fair value of trading property over its cost, revaluation of other non-current investments and the adjustment required to reflect fixed interest rate debt at fair value, divided by the diluted number of ordinary shares.

Glossary *continued*

EPRA net initial yield

Annualised net rent (after deduction of revenue costs such as head rent, running void, service charge after shortfalls and empty rates) on investment and trading property expressed as a percentage of the gross market value before deduction of theoretical acquisition costs, all on a proportionally consolidated basis.

EPRA NTA (net tangible assets) per share

The net assets attributable to owners of the Parent as at the end of the year including the excess of the fair value of trading property over its cost and revaluation of other non-current investments, excluding the fair value of financial instruments and deferred tax on revaluations, divided by the diluted number of ordinary shares.

EPRA NRV (net reinstatement value) per share

The net assets as at the end of the year including the excess of the fair value of trading property over its cost and excluding the fair value of financial instruments, deferred tax on revaluations and diluting for the effect of those shares potentially issuable under employee share schemes and diluting for the effect of those shares potentially issuable under employee share schemes plus a gross up adjustment for related costs such as Real Estate Transfer Tax, divided by the diluted number of ordinary shares.

EPRA sBPR

European Public Real Estate Association Sustainability Best Practice Recommendations for Reporting, a guidance framework for reporting environmental performance. The Group publishes details of its environmental performance in line with the EPRA sBPR.

EPRA topped-up initial yield

EPRA net initial yield adjusted for the expiration of rent-free periods.

EPRA vacancy

ERV of un-let units, including those under offer, expressed as a percentage of the ERV of the property portfolio under management excluding units under development. EPRA vacancy excludes properties held within the Lillie Square joint venture.

ERV (Estimated rental value)

The external valuers' estimate of the open market rent which, on the date of valuation, could reasonably be expected to be obtained on a new letting or rent review of the property.

F&B (Food & Beverage)

A sector within the portfolio which includes establishments primarily engaged in the preparation and sale of food and beverages. This encompasses a diverse range of customers including restaurants, cafés, bars, pubs and other hospitality venues.

FTSE 350 Real Estate Index

London Stock Exchange index derived from real estate companies in the FTSE 100 and FTSE 250 indices.

FTSE4GOOD

FTSE4GOOD Index Series, hosted by FTSE Russell, a sustainability index in which Shaftesbury Capital participates.

FRC

Financial Reporting Council.

FRS 101

Financial Reporting Standard 101 'Reduced Disclosure Framework'.

GRESB

The Global Real Estate Sustainability Benchmark, a sustainability index. Shaftesbury Capital participates in the GRESB Real Estate Assessment.

Gross income

The Group's share of passing rent plus sundry non-leased income.

Group share

Group share excludes the Lillie Square joint venture and any non-controlling interest in the Group's subsidiaries, removed on a line-by-line basis.

Headline earnings per share

Headline earnings per share is calculated in accordance with Circular 1/2023 issued by the South African Institute of Chartered Accountants ("SAICA"), a requirement of the Group's JSE listing. This measure is not a requirement of IFRS.

IFRS

United Kingdom-adopted international accounting standards.

ISO

International Organisation for Standardisation.

JSE

Johannesburg Stock Exchange.

KPI

Key performance indicators.

Leasing activity

The rental value secured from lettings, rent reviews and lease renewals during a period.

LETI

The London Energy Transformation Initiative, a network of built environment professionals working to put London on the path to Net Zero Carbon.

Like-for-like property

Property which has been owned throughout both years without significant capital expenditure in either year, so income can be compared on a like-for-like basis. For the purposes of comparison of capital values, this will also include assets owned at the previous balance sheet date but not necessarily throughout the prior year.

Loan notes interest cover

Interest cover is calculated based on net rental income, less an administration adjustment of £5.0 million, divided by net finance costs.

Loan notes LTV

LTV is calculated on the basis of net debt divided by the market value of wholly-owned property portfolio. This measure is consistent with the LTV ratio disclosed in the 'Alternative performance measures' table.

Glossary *continued*

LTV (loan-to-value)

LTV is calculated on the basis of net debt divided by the market value of the property portfolio excluding amounts allocated to non-controlling interest and the Lillie Square joint venture.

Longmartin

The Longmartin associate was a 50 per cent investment arrangement between Shaftesbury Capital and The Mercers' Company. The Group disposed of its share in Longmartin during the prior year.

LSJV

The Lillie Square joint venture is a 50 per cent joint venture between the Group and Kwok Family Interests ("KFI"). The joint venture was established to own, manage and develop land interests at Lillie Square.

MSCI

Producer of an independent benchmark of property returns.

NAV

Net asset value.

NBIM

Norges Bank Investment Management.

Net debt

Total borrowings, at nominal value, less cash and cash equivalents, excluding tenant deposits. Net debt excludes amounts allocated to non-controlling interest and the Lillie Square joint venture.

Net initial yield

The net initial income at the valuation date expressed as a percentage of the gross valuation. Yields reflect net income after deduction of any ground rents, head rents and rent charges and estimated irrecoverable outgoings at the valuation date.

NRI (Net rental income)

Gross rental income less ground rents, payable service charge expenses and other non-recoverable charges, having taken due account of expected credit loss provisions and adjustments to comply with International Financial Reporting Standards regarding tenant lease incentives.

Nominal equivalent yield

Effective annual yield to a purchaser on the gross market value, assuming rent is receivable annually in arrears, and that the property becomes fully occupied and that all rents revert to the current market level (ERV) at the next review date or lease expiry.

Occupancy rate

The ERV of let and under-offer units expressed as a percentage of the ERV of let and under-offer units plus ERV of un-let units, excluding units under development. This is equivalent to 100 per cent less the EPRA vacancy rate.

Passing rent

Contracted annual rents receivable at the balance sheet date. This takes no account of accounting adjustments made in respect of rent-free periods or tenant lease incentives, the reclassification of certain lease payments as finance charges or any

irrecoverable costs and expenses, and does not include excess turnover rent, additional rent in respect of unsettled rent reviews or sundry income.

PIDs (Property income distributions)

Distribution under the REIT regime that constitutes at least 90 per cent of the Group's taxable income profits arising from its qualifying property rental business, by way of dividend. PIDs can be subject to withholding tax at 20 per cent. If the Group distributes profits from its non-qualifying business, the distribution will be taxed as an ordinary dividend in the hands of the investors.

Portfolio under management

Reflects the portfolio under management at 100 per cent.

PSP

Performance Share Plan.

REIT (Real Estate Investment Trust)

A REIT is exempt from corporation tax on income and gains of its property rental business (qualifying activities) provided a number of conditions are met. It remains subject to corporation tax on non-exempt income and gains (non-qualifying activities) which would include any trading activity, interest income and development and management fee income.

RETT (Real Estate Transfer Tax)

Purchasers' cost as included within the independent valuation of investment and trading properties.

Reversionary potential

The amount by which ERV exceeds annualised gross income, measured at a valuation date.

RICS

Royal Institution of Chartered Surveyors.

SBTi

Science Based Targets initiative.

S&P Global Corporate Sustainability Assessment

A sustainability index of Standard & Poor Global to which Shaftesbury Capital submits information.

Section 106

Section 106 of the Town and Country Planning Act 1990, pursuant to which the relevant planning authority can impose planning obligations on a developer to secure contributions to services, infrastructure and amenities in order to support and facilitate a proposed development.

Secured loans interest cover

Interest cover is calculated based on net rental income of the company which holds the loan divided by net finance costs associated with the secured loan.

Secured loans LTV

LTV is calculated on the basis of the secured loan balance outstanding divided by the market value of specified properties.

Glossary *continued*

Shaftesbury Capital

Shaftesbury Capital PLC (also referred to as “the Company”, “Shaftesbury Capital” or “the Parent”), and all its subsidiaries and Group undertakings, collectively referred to as “the Group”.

Sterling Overnight Interbank Average Rate (“SONIA”)

The average overnight Sterling risk-free interest rate, set in arrears, paid by banks for unsecured transactions.

TAR (Total accounting return)

The movement in EPRA NTA per share plus dividends per share paid during the year.

TCFD (Task Force on Climate-related Financial Disclosures)

The TCFD developed a framework to help companies more effectively disclose climate-related risks and opportunities through existing reporting processes.

Tenant lease incentives

Any incentives offered to customers to enter into a lease. Typically incentives are in the form of an initial rent-free period and/or a cash contribution to fit-out the premises. Under IFRS the value of incentives granted to customers is amortised through the consolidated income statement on a straight-line basis to the earlier of break or lease expiry.

TOMs

Themes, Outcomes and Measures system.

Topped-up net initial yield

Net initial yield adjusted for the expiration of rent-free periods.

TPR (Total property return)

Capital growth including gains and losses on disposals plus rent received less associated costs, including ground rent. TPR excludes amounts allocated to non-controlling interest and the Lillie Square joint venture.

TSR (Total shareholder return)

The movement in the price of an ordinary share plus dividends paid during the year assuming re-investment in ordinary shares.

Underlying administration expenses

Administration expenses excluding non-recurring corporate and transaction-related costs. The items are excluded as they are considered to be non-recurring or significant by virtue of size and nature.

Underlying earnings

EPRA earnings adjusted for the non-core property rental income business. The Lillie Square joint venture is not considered part of the core underlying business of the Group and therefore its results are excluded from underlying earnings. Underlying earnings excludes amounts allocated to non-controlling interest.

Underlying earnings per share (“EPS”)

Underlying earnings divided by the weighted average number of shares in issue during the year.

Unsecured term loan and revolving credit facilities interest cover

Interest cover is calculated based on net rental income divided by net finance costs.

Unsecured term loan and revolving credit facilities LTV

LTV is calculated on the basis of net debt divided by the market value of wholly-owned property portfolio. This measure is consistent with the LTV ratio disclosed in the ‘Alternative performance measures’ table.

Unsecured term loan and revolving credit facilities unencumbered assets

Unencumbered assets are calculated based on the total wholly-owned property portfolio (or non-wholly owned properties in proportion to the Group’s ownership) divided by Group’s unsecured debt.

Valuation growth/decline

The valuation movement and realised surpluses or deficits arising from the Group’s investment property portfolio expressed as a percentage return on the valuation at the beginning of the period adjusted for acquisitions, disposals and capital expenditure. When measured on a like-for-like basis, the calculation excludes those properties acquired or sold during the period.

WAULT (Weighted average unexpired lease term)

The unexpired lease term to the earlier of break or lease expiry weighted by passing rent for each lease.

Weighted average cost of debt – gross

The cost of debt weighted by the drawn balance of external borrowings.

Weighted average cost of debt – net

The cost of debt weighted by the drawn balance of external borrowings, taking account of interest income on cash deposits and interest rate derivatives.

Whole Life Carbon

The total embodied and operational emissions that occur over the lifetime of a building, including the carbon associated with decommissioning at end of life.

Zone A

A means of analysing and comparing the rental value of retail space by dividing it in to zones parallel with the main frontage. The most valuable zone, Zone A, falls within a 6 metre depth of the shop frontage. Each successive zone is valued at half the rate of the zone in front of it. The blend is referred to as being ‘ITZA’ (“In Terms of Zone A”).

Greenhouse gas emissions

Greenhouse gas emissions methodology 2025

Shaftesbury Capital monitors and reports its greenhouse gas (“GHG”) emissions and operational energy consumption in compliance with the requirements of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 and the extension of these regulations to include the Streamlined Energy and Carbon Reporting (“SECR”) regulations.

Our Scope 1, 2 and 3 emissions statements cover the reporting period 1 January 2025 to 31 December 2025 and are detailed on pages 82 and 83.

The GHG emissions data is prepared by following the GHG Protocol: A Corporate Accounting and Reporting Standard’ published by the World Resources Institute (“WRI”). We use the GHG Protocol operational control approach as this reflects where Shaftesbury Capital has the ability to influence GHG emissions. 100 per cent of emissions and energy use reported are applicable for UK only, as Shaftesbury Capital does not have any other global operations.

Scope 1 emissions, defined as direct emissions including fuel combustion in owned or controlled boilers, backup generators, fuel use for construction plant and machinery and fugitive emissions from air conditioning, are included where they are our responsibility within the managed portfolio.

Scope 2 is defined as indirect energy emissions which include purchased electricity throughout the Group’s operations within landlord-controlled parts. The figures relate to landlord-controlled common parts such as lobbies, staircases or vacant units and energy use during refurbishments. Scope 2 emissions also include energy use for external and street lighting and bin stores, where these are our responsibility within the managed portfolio. Shaftesbury Capital is responsible for all Scope 1 and Scope 2 emissions disclosed on page 83.

For Scope 2 emissions, those arising from generated electricity usage are reported in two ways. Firstly, Shaftesbury Capital calculates the ‘location-based’ emissions which reflect emissions according to the energy mix of the National Grid. Secondly, Shaftesbury Capital reports ‘market-based’ emissions which reflect the energy mix provided by our energy suppliers. This helps Shaftesbury Capital to demonstrate the reduction in emissions as a result of purchasing energy from suppliers who generate renewable energy.

In addition, we report Scope 3 emissions comprising other indirect emissions from sources not owned or controlled by Shaftesbury Capital, including customer and supply chain emissions. We report Scope 3 emissions from the following sources:

- Tenant energy consumption in our properties where the leasing arrangements put responsibility on energy operation and direct payment for supply on the tenants (excluding long leasehold properties)
- Embodied emissions from the materials we use in our refurbishment projects
- Purchased goods and services from our suppliers
- Upstream energy use associated with our Scope 1 and 2 emissions
- Waste treatment and disposal, where waste collection is our responsibility within the managed portfolio
- Emissions from our employees commuting to work
- Emissions from business flights taken throughout the year
- Water supply and treatment, where water supply is our responsibility within the managed portfolio

Shaftesbury Capital has engaged Carbon Footprint Limited to provide independent verification of the 2025 GHG emissions assertion, in accordance with the industry recognised standard ISO 14064-3. The verification statement will be included in our Sustainability data report, which will be issued in April 2026.

The energy and carbon statements disclosed in this report, on page 83, have been calculated and reported in accordance with the following standards:

- WRI/WBCSD (World Business Council for Sustainable Development) (2004). Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard – Revised Edition;
- WRI/WBCSD (2011). Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard;
- WRI/WBCSD (2015). Greenhouse Gas Protocol: Scope 2 Guidance for market-based reporting;
- Department for Environment, Food & Rural Affairs and Department for Business, Energy & Industrial Strategy (2019): Environmental reporting guidelines: Including Streamlined Energy and Carbon Reporting requirements; and
- European Real Estate Association (2024) Best Practice Recommendations on Sustainability Reporting (EPRA sBPR).

Greenhouse gas emissions *continued*

Emissions calculations are in line with the requirements of the GHG Protocol suite of documents. The method uses activity data relating to Shaftesbury Capital's operations, multiplied by relevant emissions conversion factors, sourced from Department for Energy Security and Net Zero ("DESNZ") UK Government GHG Conversion Factors for Company Reporting (2025), OneClick LCA Emission Factor Database (2025), and spend-based UK Government emission factors by SIC code (2025).

We have used accurate consumption data for reporting the majority of Scope 1 and Scope 2 emissions.

For Scope 3 occupier emissions we have used various methods, including meter reads, billing information and energy data collected from UK energy operators for approximately 77 per cent of consumption by area for electricity and 70 per cent of consumption by area for gas supplies, and applied industry benchmarks for the remaining 23 per cent of electricity consumption and 30 per cent of gas consumption.

For Scope 3 embodied carbon, we aim to collect accurate data for all our refurbishment projects, where feasible. This covered 55.8 per cent of our spend in 2025 and 24.5 per cent of our embodied carbon. For the remainder of our refurbishment project spend, where embodied carbon data collection was not feasible, we use UK Government spend-based conversion.

Shareholder information

Electronic communication

As part of our commitment to sustainability, Shaftesbury Capital has adopted electronic communications. This means that shareholders will receive documents from the Company electronically unless they elect to receive hard copies.

All of Shaftesbury Capital's annual and interim results will be published on the Company's website www.shaftesburycapital.com. If you are a shareholder who receives hard copies of documents and you wish to elect to receive electronic communications, please contact the appropriate registrar. Shareholders may revoke an election to receive electronic communications at any time.

Registrars

All enquiries concerning shares or shareholdings, including notification of change of address, queries regarding loss of a share certificate and dividend payments should be addressed to:

For shareholders registered in the UK:

MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom

Telephone: +44 (0) 371 664 0300

Calls are charged at the standard geographic rate and vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Lines are open 9.00 am to 5.30 pm, Monday to Friday, excluding public holidays in England and Wales.

Email: shareholderenquiries@cm.mpms.mufg.com

Website: eu.mpms.mufg.com

For shareholders registered in South Africa:

Computershare Investor Services Proprietary Limited, Rosebank Towers, 1st Floor, 15 Biermann Avenue, Rosebank, 2196, South Africa

Postal address: Private Bag X9000, Saxonwold 2132, South Africa

Telephone: +27 (0) 11 370 5000 or 086 1100 933 (lines are open 8.00 am to 4.30 pm, Monday to Friday, excluding public holidays in South Africa)

Email: web.queries@computershare.co.za

Website: www.computershare.com/za

Web-based enquiry service for UK shareholders

Shareholders registered in the United Kingdom can register at <https://uk.investorcentre.mpms.mufg.com> to access a range of online services including:

- Updating address details or registering a mandate to have dividends paid directly to their bank account
- Online proxy voting
- Electing to receive shareholder communications electronically
- Viewing holding balance, indicative share price and valuation
- Viewing transactions on the holding including any dividend payments received
- Accessing a wide range of shareholder information, including downloadable forms

Share price information

The latest information on the Shaftesbury Capital PLC share price is available on the Company's website www.shaftesburycapital.com.

The shares are traded on the London Stock Exchange with LSE code SHC, SEDOL B62G9D3, ISIN GB00B62G9D36. The shares are traded on the Johannesburg Stock Exchange under the abbreviated name SHBCAP and JSE code SHC.

Share dealing services for UK shareholders

Many banks, building societies and investment managers offer share dealing services. Additionally, UK shareholders may trade their shares using the online and telephone dealing service that MUFG Corporate Markets provides. To use this service, shareholders should contact MUFG Corporate Markets: infosharedeal@cm.mpms.mufg.com or telephone +44 (0) 371 664 0445. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. (Lines are open 8.00 am to 5.30 pm, Monday to Friday, excluding public holidays in England and Wales.) Alternatively, shareholders can log on to <https://sharedeal.cm.mpms.mufg.com>. This service is only available to private individuals resident in the United Kingdom, the European Economic Area, the Channel Islands and the Isle of Man who hold shares in a company for which MUFG Corporate Markets provides share registration services, or a nominee programme administered by MUFG Corporate Markets Trustees (UK) Limited.

Shareholder information *continued***ShareGift**

ShareGift is a charity share donation scheme for UK-based shareholders who may wish to dispose of a small quantity of shares where the market value makes it uneconomical to sell on a commission basis. Further information can be found on its website www.sharegift.org, by telephoning 020 7930 3737 or by emailing help@sharegift.org.

Charity Shares for Children NPC ("CS4C")

CS4C is an independent non-profit and registered charity share donation scheme for shareholders in South Africa who may wish to dispose of small holdings of shares that are too costly to sell via a stockbroker on a commission basis. Further information can be found at <https://charityshares4children.co.za> by emailing info@charityshares4children.co.za, or charityshares@computershare.co.za or by telephoning 0800 202 363 (freephone) or +27 (0) 11 870 8207.

Share fraud warnings

Shareholders are advised to be wary of any unsolicited calls, mail or emails that offer free advice, the opportunity to buy shares at a discount or to provide free company or research reports. Such approaches are often investment scams and you will probably lose your money. Information on how to protect yourself from investment scams can be found at www.fca.org.uk/scams or by calling the FCA's consumer helpline on 0800 111 6768 (freephone).

Cautionary statement

This Report contains "forward-looking statements" regarding the belief or current expectations of Shaftesbury Capital PLC, its Directors and other members of its senior management about Shaftesbury Capital PLC's businesses, financial performance and results of operations. These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Shaftesbury Capital PLC and are difficult to predict, that may cause actual results, performance or developments to differ materially from any future results, performance or developments expressed or implied by the forward-looking statements.

These forward-looking statements speak only as at the date of this Report. Except as required by applicable law, Shaftesbury Capital PLC makes no representation or warranty in relation to them and expressly disclaims any obligation to update or revise any forward-looking statements contained herein to reflect any change in Shaftesbury Capital PLC's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The information contained in this Report does not purport to be comprehensive and has not been independently verified. Any information contained in this Report on the price at which shares or other securities in Shaftesbury Capital PLC have been bought or sold in the past, or on the yield on such shares or other securities, should not be relied upon as a guide to future performance. No statement in this Report is intended to be a profit forecast and no statement in this Report should be interpreted to mean that earnings per share of Shaftesbury Capital PLC for the current or future financial years would necessarily match or exceed the historical published earnings per share of Shaftesbury Capital PLC. Certain industry and market data contained in this Report has come from third-party sources. Third-party publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of accuracy or completeness of such data.



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