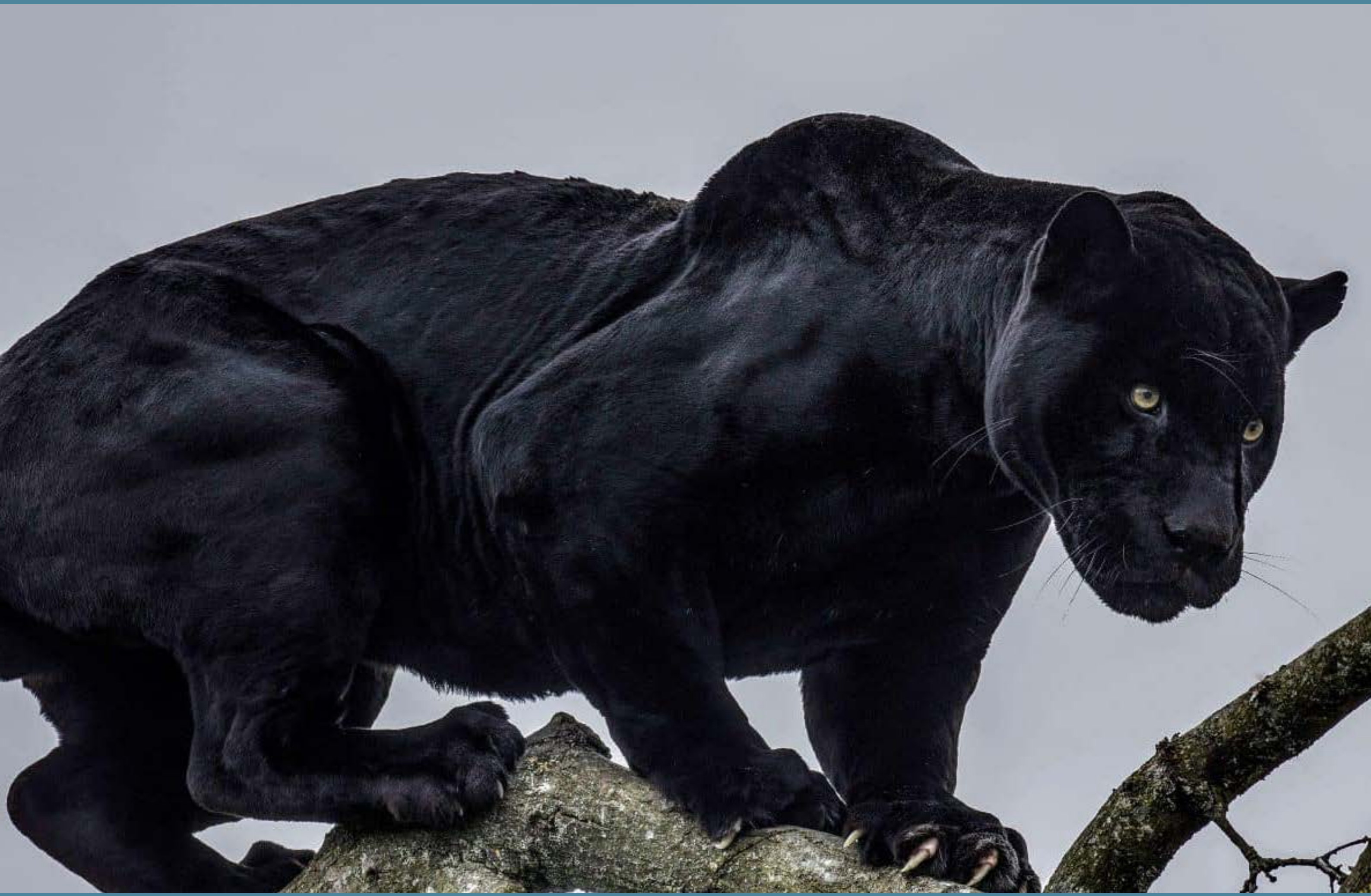
PANTHER SECURITIES PLC



ANNUAL REPORT &
FINANCIAL STATEMENTS
2024

COMPANY NUMBER 00293147

Andrew Perloff
(Chairman)
Joined: 1972

Simon Peters
(Chief Executive & Finance Director)
Joined: 2004

John Perloff
(Executive Director)
Joined: 1994

Peter Kellner
(Non-Executive Director)
Joined: 1994

Bryan Galan
(Non-Executive Director)
Joined: 1994

Jonathan Rhodes
(Non-Executive Director)
Joined: 2022

Paul Saunders
(Non-Executive Director)
Joined: 2023

Raphael Rotstein
(Associate Finance Director)
Joined: 2017

Jack Bispham
(Property Director)
Joined: 2011

Richard Swan
(Head of Property)
Joined: 2010

Vandana Shah
(Finance Controller)
Joined: 2017

Jessica Davies
(Junior Commercial Surveyor)
Joined 2024

Lee-Anna Mayers
(Property Manager)
Joined: 2014

Tara Norrington
(Property Administration Manager)
Joined: 2018

Yvonne Headlam
(Reception)
Joined: 2005

Marsha Vaknine
(PA to Chairman)
Joined: 2017

Kerry Howard
(PA to Chairman)
Joined: 1988

Contents

Directors, Secretary and Advisors

Directors	**Andrew Perloff** (Chairman) **Simon Peters** (Finance Director and Chief Executive) **John Perloff** (Executive) **Bryan Galan** (Non – executive)* **Peter Kellner** (Non – executive)* **Jonathan Rhodes** (Non – executive)* **Paul Saunders** (Non – executive)*
Company Secretary	**Raphael Rotstein** (from 2 January 2025)
Registered Office	Unicorn House, Station Close, Potters Bar, Herts, EN6 1TL
Company number	00293147
Website	www.pantherplc.com
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London, EC4M 7JW
Bankers	HSBC Bank PLC 31 Holborn, London, EC1N 4HR Santander Corporate Banking 2 Triton Square, Regents Place, London, NW1 3AN
Nomad, Financial Advisors and Joint Brokers	Allenby Capital Limited 5 St Helen's Place, London, EC3A 6AB
Joint Brokers	Raymond James Investment Services Limited Ropemaker Place, 25 Ropemaker St, London, EC2Y 9LY
Registrars	MUFG Corporate Markets Central Square, 29 Wellington Street, Leeds, LS1 4DL
Solicitors	Howard Kennedy LLP 1 London Bridge, London, SE1 9BG Fox Williams LLP 10 Finsbury Square, London, EC2A 1AF DMH Stallard LLP 6 New Street Square, New Fetter Lane, London, EC4A 3BF DLA Piper Scotland LLP Collins House, Rutland Square, Edinburgh, EH1 2AA

* Member of the Audit Committee and Remuneration Committee

The Year in Brief

	2024 £'000	2023 £'000
Revenue – rents receivable	**14,657***	14,457
Profit before tax	**8,671**	5,499
Total comprehensive income for the year	**6,701**	4,470
Net assets of the Group	**116,160**	111,872
Earnings per 25p ordinary share		
Basic and diluted – continuing operations	**38.4p**	25.3p
Dividend per ordinary share		
(based on those proposed in relation to the financial year)	**12p**	22p**
Net assets attributable to ordinary shareholders per 25p ordinary share	**669p**	640p

* Revenue – less Stock property disposal (£390,000 in 2024)

** 10p special paid in February 2023, 6p interim paid in October 2023 and 6p final was paid in July 2024.

Chairman's Statement

I am pleased to be able to present the results for the year ended 31 December 2024, which show a profit before tax of £8,671,000 compared to a profit before tax of £5,499,000 for the previous year ended 31 December 2023.

There was a gain of £3,265,000 in the valuation of our swap position and additionally a cash contribution of £1,422,000 reducing our finance costs because of our favourable swap arrangements.

During the year, total gains realised on the disposal of investment properties (detailed below) amounted to £1,296,000 and a revaluation of our entire portfolio provided an increase in total value of £1,300,000.

Rents receivable during the year ended 31 December 2024 were £14,657,000 compared to £14,457,000 in the year ended 31 December 2023. Whilst this is only a small increase there is much activity within our portfolio and some loss of income has been caused by earlier property sales with the realised funds yet to be reinvested.

Property Acquisition – Southport Land

In October 2024 we purchased freehold land adjoining our existing car park behind Wayfarers Arcade, Southport at a price of £105,000. This could be large enough for three or four townhouses or an extension to our existing car park.

Property Disposals

Towards the end of the year, we completed the sale of our freehold interest in Westgate House, Peterborough, a former Beales department store, after arranging to obtain planning permission for a development containing 127 residential units. We received a total consideration of £4,000,000 of which £1,000,000 remains outstanding to be paid in two separate tranches of £500,000, nine months and eighteen months after completion of the sale. This money is secured by way of a second charge on our former property. The sale price was £1,410,000 over its book value.

Investment Sales

In July 2024 we sold at auction three mature freehold investment properties in Blackburn, Hull and Widnes, which we had owned for some years. A total of £1,336,000 was realised compared to their total book value of £1,280,000. The decision to sell was due to each of the occupying leases coming to an end and if vacated there would be both a loss in income and an expected reduction in their property values.

Post Balance Sheet Sales

In February 2025 we sold our freehold island site in central Wolverhampton which included Charles House, Premier House and 78 Darlington Street. This property was purchased in August 2010 for £1,560,000 including costs. It was a mixed-use group of older buildings with approximately 70,000 sq. ft. of occupiable space on 1.2 acres of city centre land. When purchased, it produced rents of £278,000 per annum (and £195,000 after costs) and was already clearly a potential development site due to its size and location. The Group managed to maintain a high level of income for almost its entire ownership. The property most recently produced rent of £122,000 per annum (and £80,000 after costs). The sale price achieved was £2,500,000.

Post Balance Sheet Purchases

The freehold of 134-136 Above Bar Street, Southampton was purchased in March 2025 for £253,000 at auction being formerly owned by Southampton Borough Council. We already owned the long leasehold interest which had circa 85 years remaining at a ground rent of £12,225 being fixed at 15% of the rents receivable, out of a current total of £81,500 per annum. We now no longer have an issue of having a depreciating asset thus allowing development if in the future a residential scheme in the upper parts is deemed profitable.

General Letting Market

We have several useful lettings well in hand which should help increase our rental income for future years and reduce carrying costs. Most are subject to us completing substantial refurbishment works for the agreed tenants' requirements.

Chairman's Statement continued

Investment Properties – Our total portfolio was valued at the year end at £182,204,000 compared to £185,169,000 in December 2023. The movement is mainly due to the approximately £1.3 million net increase in property revaluations over the entire portfolio and then taking account of the approximately £4.2 million (at book cost) of disposals.

Our net asset value per share has increased from 640p to 669p, which equates to an increase of approximately 4.5%.

Loans

On 28 March 2024, the Group refinanced by completing a new facility of £68 million, split between a £55 million term loan and a £13 million revolving facility. The new facility has a four-year term (with a further option to extend by one year subject to credit approval). The interest rate payable is 2.3% over three-month SONIA with a ratchet that can take it to 2.5% over three-month SONIA in certain circumstances (compared to the previous facility which was 2.7% over SONIA). HSBC and Santander remain as the joint providers of the new facility. £5,955,000 of the facility was still available to be utilised at the year end.

We are very pleased to continue our mutually beneficial 41 and 14-year relationships with HSBC and Santander respectively, which we hope will continue still further.

The Group is in a fortunate position whereby it will continue to benefit from its existing interest rate swap arrangements, which provide effective fixed interest rate protection that is significantly below the current SONIA rates, in relation to £60 million of the £68 million new facility. The Group's interest rate swaps provide a fixed interest rate of 3.40 per cent in relation to the £35 million of the new facility and a fixed interest rate of 2.01% in relation to £25 million of the new facility, but of course each plus the banks margin mentioned earlier. The durations of the Group's existing swaps are beyond the term of the current facility.

In September 2023 our main swap on £35 million dropped from 5.06% to 3.4% which is a cash flow saving of £581,000 per annum, which meant a full year's benefit was received in 2024.

Future Progress

Last year I predicted exciting times and mayhem to come from our country's change of political direction but of course did not think of the extra problems which would arrive from the change in the direction of politics in the USA which has doubled up on problems for large and small trading businesses worldwide. However, with our usual caution we have our finances in place and a degree of liquidity that will allow us to take advantage of any special opportunities that may come our way and should be financially able to withstand the financial squalls from the erratic political decisions that cause the so-called exciting times.

Charitable Donations

We continue to support several charities, especially local ones in areas that we operate and have interests in.

Political Donations

At last year's AGM I proposed a resolution to donate £25,000 to the Reform UK political party and this was successfully passed. Once again, I propose a donation of £25,000. As previously, I will abstain voting my personal holding.

I have stated that in my opinion most business problems are caused by poor government taxation and legislation and as the previous Conservative government I felt had lost the plot, i.e., not upholding the values that many people hold about preferring a massive reduction in immigration numbers, and they were also unable to provide low taxation or tax policies that encourage employment. These are some of the many reasons I believe they lost the election in 2024.

The new Labour government have followed in their foolish predecessor's footsteps with even more drastic anti-business taxes on employment with harmful policies for pensioners, farmers, strivers and successful entrepreneurs, and particularly hard on those who save for the future so that they don't become a burden on the state in old age. They have continued to disallow VAT rebates on expensive purchases by overseas tourists, whereby now many of these high spending tourists go to other major cities such as Paris, Milan or Barcelona etc. for their shopping and holiday trips providing extra tax receipts to other countries but also a loss of tourism spending on hotels etc. in the UK, which would be of benefit to the UK.

Chairman's Statement continued

The new Labour government has not addressed the ridiculous inadequacies of the business rates that are currently charged when the original rules worked well, before gerrymandering by the previous government. They increased property purchase taxation by way of constant changes in stamp duty, made worse by charging extra stamp duty on the purchase of second homes, then second homes being charged double Council Tax for less services. Also having to suffer higher Capital Gains Tax on a sale compared to commercial Capital Gains Tax when profitably realised. Despite the highest level of taxation since the last world war (which obviously necessitated higher taxes), we receive poor and slow service from practically every bureaucratic government department.

The new socialist government has increased the tax burden and quickly managed to turn a slowly recovering economy into what will in the medium-term likely be a rapidly sliding downturn.

We have for some time paid a trade subscription of £7,500 to The Taxpayers' Alliance who are an independent association that watches over government expenditure looking for waste and self-aggrandisement amongst the myriads of council executives who are forever claiming council poverty and putting up council tax charges but at the same time increasing their senior employees' pay by unreasonable amounts. This was recently exposed by most national newspapers via information researched and supplied by The Taxpayers' Alliance. Their website is taxpayersalliance.com. I recommend shareholders who still have some money left and who can still afford to donate, should do so to this independent organisation that helps to bring wasteful costs to the spotlight of the public eye. They recently provided research that exposed that 25% of some council taxes go towards the gold-plated pensions of the bureaucrats who serve us so badly whilst the taxpayers of the private sector whose employment are rarely able to provide such largesse.

Dividends

The Directors have recommended a payment of a final dividend for the year ended 31 December 2024 of 6p per share. This year's final dividend of 6p per share will be payable on 16 July 2025 to shareholders on the register at the close of business on 27 June 2025 (ex-dividend on 26 June 2025).

The full dividend for the year ended 31 December 2024 is therefore anticipated to be 12p per share, subject to shareholder approval, being the 6p interim per share paid and the recommended final dividend of 6p per share.

I repeat my thanks to our small but dedicated team of staff, growing team of financial advisers, legal advisers, agents and accountants for all their hard work during the past year.

Special thanks and good wishes go to our tenants, many of whom are comparatively small entrepreneurial businesses, and I hope they can continue to manage through the present business climate with the excess burdens placed upon them by rapacious government taxes.

I do not feel I can do justice to the massive incompetence of the present government and certainly cannot present the problems created by them any better than many journalists, especially of the Daily Mail and Daily Telegraph who have forcefully expanded on subjects I highlighted in bureaucratic foolishness briefly over the last 10 years or so.

Thus, instead of writing full hearted ramblings, I have included some eulogies for past members of our Group to whom we owe so much and will miss.

Andrew S Perloff
Chairman

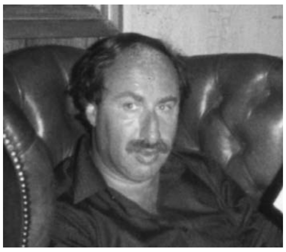
20 May 2025

Chairman's Ramblings

EULOGIES

Years ago, when we were all younger, news was all about weddings, bar mitzvahs, births – joyous occasions – things to be celebrated but as time passes news becomes more serious, reminding us of our mortality, making us aware of the inevitable passage of time. I recount Malcolm's story first as he had most influence on Panther and my career.

MALCOLM BLOCH
1941-2024



Last year in September I had such a call to tell me of the death of Malcolm, my great friend and business partner of many years. He had died peacefully in his sleep, his daughter and one of his best friends by his bedside. Although his health had not been good for a considerable time, his death still came as a shock to me.

While many of our shareholders and even some of our advisors may not remember him, he had played a huge role in the success of our group and his part in its history bears repeating.

In 1962, I, a young naïve lad joined Marcus Leaver & Co., a busy commercial estate agency in their offices off Bond Street. I was a lowly office boy – my salary the princely sum of £5 a week plus 2s/9d per day of luncheon vouchers, i.e., nearly 14p which could purchase a three-course meal!

I was rather intimidated by my new plush surroundings but was shown to a desk and then handed over to my mentor-to-be, Malcolm, who introduced me to the 35 staff. He was nearly four years older than me and seemed the epitome of sophistication, being slim and smart wearing a shiny mohair suit which I coveted immediately.

It was a great place to work. Not only did I quickly begin to learn and enjoy the property business, but the staff was mostly comprised of young people which was perfect for a young boy eager to learn and make new friends.

The next couple of years passed quickly and enjoyably until one day Malcolm was summoned into the office of one of the partners. He emerged looking upset as he had been instantly dismissed. Malcolm had been in a dispute with a client who wanted him to overvalue his property for letting and Malcolm had been less than tactful in his response.

I was almost as upset as Malcolm about this turn of events, but we kept in touch, so I knew he had secured a job with a house agent in Harrow. He was so busy that he and a fellow workmate decided to strike out on their own. He asked if I would like to join them which I was delighted to do.

Our office was a tiny shop in Eastcote where we were very busy for next few months. Our break-even target was 1 house sale a week and we were selling two! All was going swimmingly until a credit squeeze was announced by the then Chancellor and all residential sales came to a standstill. Our third partner had no choice but to throw in the towel due to family commitments.

Malcolm and I continued, we concentrated on commercial and investment property which was less affected by the credit squeeze and with the bigger commissions we started buying single vacant freehold shops which we managed to let at higher than market rents which showed us very high returns.

These were let mainly to immigrants who were involved in the restaurant/take away business and who tended to live above the shops with their families. They proved to be very good tenants – establishing successful businesses and paying their rent on time.

Chairman’s Ramblings

Malcolm excelled in confidently dealing with the older people with whom we came into contact and those tenants whose English was often poor, as I was still shy with strangers.

In 1969 after several moves, Malcolm decided we should upgrade our image and thus we moved into an attractive Georgian style house in Park Street in Mayfair W1. Our offices were on the ground floor, and Malcolm and I took the two floors above as our separate living quarters.

With the move came a substantial increase in business opportunities. By the mid-70s we were successfully carrying out various developments which should have been very profitable had it not been for the prevailing banking crisis and financial climate which heralded several bleak years throughout which Malcolm kept his customary good humour and we somehow managed to keep the business alive.

We subsequently purchased control of Levers Optical Company, a small, quoted concern as we hoped it would help us expand. It did and helped us survive the property market crash which came later.

Malcolm’s indomitable spirit shone through during these hard times he was confident that all would be well, his good humour and optimism kept us going.

The years quickly passed, we had survived several property crashes and built up the successful business that is Panther today.

Having reached the age of 65 Malcolm decided he would like to retire. His shares were bought by the company, my brother and me. Malcolm left for sunnier climes and a more relaxed lifestyle but always keeping in close contact with his family, friends and of course, the office.

I have not so far mentioned the personal side of our relationship which was inseparable with our business one. Having known each other from such a young age our friends and families became intertwined. We gathered a gang of “lads” who socialised, holidayed, ate and chased girls together. He was the glue that kept everyone together then and continued to do so until his death.

Malcolm had a huge zest for life with many interests – enjoying watching boxing, jazz, film, travelling, eating out. His knowledge of good hotels, restaurants and movies was encyclopaedic and was more reliable than the Michelin Guide.

His humour, his wit and his optimism made him such good company. Company that I miss so much as do many people.

Malcolm, you are irreplaceable – it was a privilege to know you, and your efforts for our Group will be long remembered

ANTHONY KELLNER
1945-2025

Anthony Kellner, who had been struggling with prostate cancer for about eight months, died peacefully at a Central London nursing home having been treated at Charing Cross Hospital, near Hammersmith, for five months, then finally being cared for at Princess Louise of Kensington Nursing Home when he sadly passed away on Friday, 21 March.

Whilst he was bedridden for most of that time, he was stoic to the end and despite his illness and pain medication, was able to see and talk to all his visitors with his usual wit and knowledge.

Chairman's Ramblings continued

He had worked as our in-house solicitor for nearly 20 years and prior to that had his one-man band private practice in Forest Gate and then a studio office in Panther House, Mount Pleasant, WC1.

I, however, had known him for approaching fifty years as a good friend who joined my family and I on holidays and was welcomed as part of the family.

He was witty, entertaining, knowledgeable and always able to join in whatever activities there were and was great at inventing his own games, both for children and adults.

For these reasons he was also well liked by all the Panther staff, many of whom took time to visit him in his last six months when he could discuss anything with them from past experiences at the office with humorous occasion or even matters of world interest and being so knowledgeable he was always happy to give advice. He cared about his fellow workers, and they all appreciated his concern for them.

He took delight in working long hours on any company matters and was diligent to the nth degree.

Whilst he was a single man, he took interest in the families of others and was a fine uncle to his two nephews and was close to his brother and sister-in-law.

He will be very much missed by his family and all of us here at Panther; his death has left a gap in our lives.

MERVYN HARRIS
1946-2023

Back in October 2023 I received one of those early morning phone calls that often denote unexpected bad news. The caller was Mervyn's son, who informed me of Mervyn's sudden death after having a heart attack whilst in hospital after going in for unusual pains.

This was completely unexpected as I had recently bumped into him, his wife and friends going into a favourite restaurant in St John's Wood and he appeared his usual ebullient and happy self in good health. I had also spoken to him on a business matter a few days earlier when there was no inkling of illness.

We at Panther had known Mervyn for about 35 years as one of our favourite panel of legal advisers and although he moved through three or four different partnerships, we followed him round as we knew he was astute and very dedicated to his clients' interests. He was always good humoured with an easy-going sense of humour for all the unusual things that can happen in business.

This was a great loss to Panther as one of our key advisers, but obviously even more so to his wife, Lynda, and the rest of his family.

Chairman's Ramblings continued

MICHAEL PETERS
1939-2025

Very recently, my brother-in-law, Michael Peters, passed away. Father to our CEO, Simon, and his brothers Leigh and Jonathan. Whilst never working for us, Michael brought up his sons to be interested in business, thus benefitting our Group.

Michael was a very hard-working pharmacist and happily married to my sister for 55 years. He led an exemplary life and showed his three sons by example the way to live a good life and to be remembered by all who knew him. He was knowledgeable and extremely well-travelled with many long-term friends. He bore the last 6/7 years of his life with Parkinsons disease and with fortitude. His loss will be sadly missed by all my family and his.

Yours

Andrew S Perloff
Chairman

20 May 2025

Group Strategic Report

About the Group

Panther Securities PLC ("the Company" or "the Group") is a property investment company quoted on the AIM market (AIM) since 2013. Prior to this the Company was fully listed and included in the FTSE fledgling index, first being fully listed as a public company in 1934. The Group currently owns and manages circa 900 individual property units within circa 120 separately designated buildings over the mainland United Kingdom. The Group specialises in mainly commercial property investing in good secondary retail, industrial units and offices, and also owns and manages many residential flats in several town centre locations. The Group is a generalist investor, not specialising in any sector or location in the UK and does the majority of its own management and lettings in-house. The Group takes an entrepreneurial approach to property investing assessing each opportunity on its merits.

Strategic objective

The primary objective of the Group is to maximise long-term returns for our shareholders by stable growth in net asset value and dividend per share, mainly via a consistent and sustainable rental income stream. The Group also seeks out exceptional returns within its property portfolio and through acquisitions looking for value adding opportunities.

Progress indicators

Progress will be measured mainly through financial results, and the Board considers the business successful if it can increase shareholder return and asset value in the long-term, whilst keeping acceptable levels of risk by ensuring gearing covenants are well maintained.

Key ratios and measures

	2024	2023	2022	2021
Gross profit margin (gross profit/turnover)	**55%**	54%	57%	65%
Loan to value*	**38%**	39%	39%	36%
Interest cover (actual)*	**299%**	317%	297%	281%
Finance cost rate (finance costs excluding lease portion/average borrowings for the year)	**5.8%**	6.7%	7.0%	7.5%
Yield (rents investment properties/average market value investment properties)	**8.4%**	8.4%	8.2%	7.9%
Net assets value per share	**669p**	640p	637p	553p
Earnings per share – continuing	**38.4p**	25.3p	96.6p	76.4p
Dividend per share**	**12.0p**	22.0p	12.0p	12.0p
Investment property acquisitions	**£0.3m**	£3.4m	£8.9m	£0.8m
Investment property disposal proceeds	**£4.5m**	£1.0m	£1.2m	£15.8m

* As reported to the Lenders – based on charged property rents, borrowed funds and bank valuations as appropriate. There was a change of basis in 2024 following the refinance.

** Based on those declared for the year.

Business review

The overall year was another strong year for the Group with earnings being just over 38p per share with rents receivable within revenue slightly up (the revenue figure also includes a Stock Property disposal of £390,000). The Directors valuation shows they believe that there was a further increase in property values of £1.3 million in the year (2023 – a £5.5 million increase). The valuations of the financial derivatives increased by £3.3 million.

Group Strategic Report continued

Operating profits grew as costs were held or reduced in various categories.

The finance costs remain consistent over this and the comparison year, 2024 and 2023 respectively, but we expect them to be lower in 2025 following the refinance with lower margin and as we have reduced our borrowing early in 2025 (and haven't identified acquisitions, to reborrow, at this time). Once again it is worth noticing the split on the income statement, between interest payable on the floating loan and the income back on our financial derivatives (swaps). This financial income generated by our financial derivatives (swaps) is quite considerable and this validates the high value shown on the balance sheet.

The refinance that took place in March 2024 even though expected, is pleasing as it puts the Company on good footing, knowing its financing abilities until March 2028 (with the option to extend to March 2029) – this platform aids planning and the Group also benefits from agreeing lower margins compared to the previous facility.

The consolidated statement of cash flows in 2024, shows that cash improved by £2.5 million in the year, pleasingly the cash flow from operating activities (the trading) showed a £3.6 million contribution, even stronger than the £2.3 million cash contribution produced in 2023.

In terms of the statement of financial position (balance sheet), the Group saw its asset value grow with a net asset value per share at the year-end of 669p per share (2023 – 640p per share). The Group currently shows a very large discount when comparing its prevailing share price to its current net asset value, and the Board believes this is mainly due to a lack of transactions in its shares.

We would love some positive economic winds but in these uncertain times we see our relatively small business as a safe haven for investors. Our Group benefits from an excellent spread of assets, producing multiple income streams, financed by secured long term loans fixed at attractive levels all run by an experienced management team. So whilst we are in politically and globally uncertain times, this does not hugely concern the Board as we are set up to find opportunities and our business model protects shareholder value.

Going forward

Our medium term trends show we are experiencing rental growth, some of this is from renting long-term vacant properties and the rest from improved rental terms. Going forward over the next few years we foresee this continuing but the most important issue for the Group being to control all of the holding and maintenance costs of our properties. In response to this we have sold some properties in the year that we consider had little further upside (and some with high holding costs), and the ones we sold with rental income we believe have more downside than potential. In terms of costs, we have brought in further controls and look to phase our works programmes. However if as we expect we can control and/or phase our costs more effectively, we have the ability with long term income rental streams and fixed interest rate costs to be even more profitable.

As in 2023, we still anticipate some potential additional costs of improving the energy efficiency of our buildings to keep them in line, or even ahead of the EPC ("energy performance certificate") regime requirements which is constantly being updated. However, we have negotiated no loan amortisation on our most recent loan (completed in March 2024), so for the current year until March 2026, we have extra cash flow. We also have now got to a comfortable level in terms of the longer term viability of our properties, with over 65% of our income being generated from properties with EPC grading C and above.

We are working on opportunities to unlock value within our portfolio, some of this achieved in 2024, both in terms of letting more of the vacant properties, selling properties where appropriate to recycle the cash, adding additional residential units by reproposing upperparts and selling long term vacant properties (often following achieving planning).

Group Strategic Report continued

The economy continues to be a relatively high-interest rate environment, compared to the last 15 years, but now with inflation more or less under control, following two years of very high inflation. There is a lot of downside risk to the economy including higher taxes, slower global growth, cuts to benefits, job losses and higher government borrowing. The Group has fixed its interest rate swaps which will protect us from interest rate increases for many years to come. The nature of property companies, gives us a natural hedge over inflation, as property investments tend to increase in line with inflation, whilst the real value of loans utilised effectively decreases.

There are always uncertainties which can affect property prices in the short term, however, the Board continues to believe we are protected by our portfolio's diversity, experienced management team, ability to adapt and by having access to funds. We have low gearing levels, supportive lenders and cash reserves.

The Board is confident about the business going forward.

Financing

On March 2024, the Group completed a new facility of £68 million, split between a £55 million term loan and a £13 million revolving facility. The new facility has a four-year term (with a further one-year option to extend subject to credit approval). The interest rate payable is 2.3 per cent. over three month SONIA with a ratchet that can take it to 2.5 per cent over three month SONIA in certain circumstances, although both rates within the agreement represent an improvement compared to the previous facility. The Group is providing very similar covenants to the previous facility. HSBC and Santander remain as the joint providers of the new facility.

The Group at the year-end had £7.6 million of cash funds, and had the ability to draw an additional £5.955 million available within the loan facility.

Financial derivative

The Group is in a fortunate position whereby it will continue to benefit from existing interest rate swap arrangements, which provide effective fixed interest rate protection that is significantly below the current SONIA rates, in relation to £60 million of the £68 million new facility. The Group's interest rate swaps provide a fixed interest rate of 3.40 per cent. in relation to £35 million of the new facility and a fixed interest rate of 2.01 per cent. in relation to £25 million of the new facility. The durations of the Group's existing swaps are beyond the term of the new facility.

We have seen a fair value gain (of a non-cash nature) in our long term liability on derivative financial instruments of £3.27 million (2023: a loss of £1.96 million). Following this gain the total financial derivative balance is an asset on our Consolidated Statement of Financial Position of £5.8 million (2023: £2.5 million asset).

In February 2021 the Company paid £5,000,000 to vary a long-term swap agreement. The agreement varied was an interest rate swap fixed at 5.06% until 31 August 2038 on a nominal value of £35 million and had circa 17.5 years remaining. Following the variation, the Group's fixed rate dropped on 1 September 2023 to 3.40% saving the Group £581,000 p.a. in cash flow until the end point of the instrument. We saw the first full year's benefit of this annual change in 2024.

These financial instruments (shown in note 27) are interest rate swaps that were entered into to remove the cash flow risk of interest rates increasing by fixing our interest costs. We have seen that in uncertain economic times there can be large swings in the accounting valuations.

Small movements in the expectation of future interest rates can have a significant impact on the fair value of these interest rate swaps; this is partly due to their long dated nature.

Group Strategic Report continued

Financial risk management

The Company and Group's operations expose it to a variety of financial risks, the main two being the effects of changes in the credit risk of tenants and interest rate movement exposure on borrowings. The Company and Group have in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company and Group by monitoring and managing levels of debt finance and the related finance costs. The Company and Group also use interest rate swaps to protect against adverse interest rate movements with no hedge accounting applied. Mark-to-market valuations on our financial instruments have been historically erratic due to current low market interest rates and due to their long term nature. These large mark-to-market movements are shown within the Income Statement.

On £60 million of the drawn loan at the year-end, the actual cash outlay effect is nil when considering the combined effect of the loan and the financial derivatives. This is because the instruments have been used to fix the risk of further cash outlays due to interest rate rises or can be considered as a method of locking in returns (the difference between rent yield and interest paid at a fixed rate). At the year end, the Company had drawn circa £2 million more of the loan than the fixed amount so this element is floating.

Given the size of the Company and Group, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the Board of Directors are implemented by the Company and Group's finance department.

Credit risk

The Company and Group have implemented policies that require appropriate credit checks on potential tenants before lettings are agreed. In many cases a deposit is requested unless the tenant can provide a strong personal or other guarantee. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the Board. Exposure is reduced significantly due to the Group having a large spread of tenants who operate in different industries.

Price risk

The Company and Group are exposed to price risk due to normal inflationary increases in the purchase price of the goods and services it purchases in the UK. The exposure of the Company and Group to inflation is considered low due to the low cost base of the Group and natural hedge we have from owning "real" assets. Price risk on income is protected by the rent review clauses contained within our tenancy agreements and often secured by medium or long-term leases.

Liquidity risk

The Company and Group actively manage liquidity by maintaining a long-term finance facility, strong relationships with many banks and holding cash reserves. This ensures that the Company and Group have sufficient available funds for operations and planned expansion or the ability to arrange such.

Interest rate risk

The Company and Group have both interest bearing assets and interest bearing liabilities. Interest bearing assets consist of cash balances which earn interest at fixed rate when placed on deposit. The Company and Group have a policy of only borrowing debt to finance the purchase of cash generating assets (or assets with the potential to generate cash). We also use financial derivatives (swaps) where appropriate to manage interest rate risk. The Directors revisit the appropriateness of this policy annually.

Group Strategic Report continued

Principal risks and uncertainties of the Group

The successful management of risk is something the Board takes very seriously as it is essential for the Group to achieve long-term growth in rental income, profitability and value. The Group invests in long term assets and seeks a suitable balance between minimising or avoiding risk and gaining from strategic opportunities. The Group's principal risks and uncertainties are all very much connected as market strength will affect property values, as well as rental terms and the Group's finance, or term loan, whose security is derived primarily from the property assets of the business. The financial health of the Group is checked against covenants that measure the value of the property, as a proportion of the loan, as well as income tests.

The two measures of the Group's finances are to check if the Group can support the interest costs (income tests) and also the ability to repay (valuation covenants).

The Group has a successful strategy to deal with these risks, primarily its long lasting business model and strong management. This meant the Group has had little or no issues as it navigated the many economic shocks it has had to deal with over the last two decades including the 2008 banking crisis, Brexit, the COVID-19 crisis, the high interest rate/high inflationary effect post covid-19/Ukraine war consequences and Trump economics. The Group currently sits with low gearing compared to historic levels.

Market risk

If we want to buy, sell or let properties there is a market that governs the prices or rents achieved. A property company can get caught out if it borrows too heavily on property at the wrong time in the market, affecting its loan covenants. If loan covenants are broken, the Company may have to sell properties at non-optimum times (or worse) which could decrease shareholder value. Property markets are very cyclical and we in effect have three strategies to deal with or mitigate the risk, but also take advantage of this opportunity:

1) Strong, experienced management means when the market is strong we look to dispose of assets and when it is weak we try and source bargains i.e. an emergent strategy also called an entrepreneurial approach.

2) The Group has a diversified property portfolio and maintains a spread of sectors over retail, industrial, office and residential. The other diversification is having a spread regionally, of the different classes of property over the UK. Often in a cycle not all sectors or locations are affected evenly, meaning that one or more sectors could be performing stronger, maybe even booming, whilst others are struggling. The stronger performing investment sectors provide the Group with opportunities that can be used to support slower sectors through sales or income.

3) We invest in good secondary property, which tends to be lower value/cost, meaning we can be better diversified than is possible with the equivalent funds invested in prime property. There are not many property companies of our size that have circa 900 individual units and circa 120 buildings/locations. Secondary property also, very importantly, is much higher yielding which generally means the investment generates better interest cover and its value is less sensitive to market changes in rent or loss of tenants.

Property risk

As mentioned above, we invest in most sectors in the market to assist with diversification. Many commentators consider the retail sector to be in period of severe flux, considerably affected by changing consumer habits such as internet shopping as well as a preference for experiences over products. Of the Group's investment portfolio, retail makes up the largest sector being circa 60 to 65% by income generation. However, the retail sector is affected to lesser degrees in what we would describe as neighbourhood parades, as opposed to traditional shopping high streets. The large part of our retail portfolio is in these neighbourhood parades, meaning we are less affected by consumer habits and even benefit from some of the changes. Neighbourhood parades provide more leisure, services and convenience retail.

Group Strategic Report continued

For example we have undertaken a few lettings to local or smaller store formats, to big supermarket chains, which would not have taken place many years ago. Block policy is another key mitigating force within our property risks. Block policy means we tend to buy a block rather than one off properties, giving us more scope to change or get substantial planning permission if our type of asset is no longer lettable. The obvious example is turning redundant regional offices into residential. In addition by having a row of shops, we can increase or reduce the size of retail units to meet the current requirements of retailers.

Finance risk

The final principal risk, which ties together the other principal risks and uncertainties, is that if there are adverse market or property risks then these will ultimately affect our financing, making our lenders either force the Group to sell assets at non-optimal times, or take possession of the Group's assets. The management, business model and diversification factors described above help mitigate against property and market risks, which as a consequence mitigate our finance risk.

The main mitigating factor is to maintain conservative levels of borrowing, or headroom to absorb downward movements in either valuation or income cover. The other key mitigating factor is to maintain strong, honest and open relationships with our lenders and good relationships with their key competitors. This means that if issues arise, there will be enough goodwill for the Group to stay in control and for the issues to resolve themselves and hopefully remedy the situation. As a Group we also hold uncharged properties and cash resources, which can be used to rectify any breaches of covenants.

Other non-financial risks

The Directors consider that the following are potentially material non-financial risks:

Risk	Impact	Action taken to mitigate
Reputation	Ability to raise capital/deal flow reduced	Act honourably, invest well and be prudent.
Regulatory changes	Transactional and holding costs increase	Seek high returns to cover additional costs. Lobby Government -"Ramblings". Use advisers when necessary.
People related issues	Loss of key employees/low morale/inadequate skills	Maintain market level remuneration packages, flexible working and training. Strong succession planning and recruitment. Suitable working environment.
Computer failure	Loss of data, debtor history	External IT consultants, backups, offsite copies. Latest virus and internet software.
Asset management	Wrong asset mix, asset illiquidity, hold cash	Draw on wealth of experience to ensure balance between income producing and development opportunities. Continued spread of tenancies and geographical location. Prepare business for the economic cycles.
Acts of God (e.g. COVID 19)	Weather incidents, fire, terrorism, pandemics	Where possible cover with insurance. Ensure the Group carry enough reserves and resources to cover any incidents.

Section 172(1) statement

This is a reporting requirement and relates to companies defined as large by the Companies Act 2006, this includes public companies as otherwise the Group would not be considered large.

Each individual Director must act in the way he considers, in good faith, would be the most likely to promote the success of the company for benefit of its members as a whole, and in doing so the Directors have had regard to the matters set out in section 172(1) (a) to (f) when performing their duty under section 172.

Group Strategic Report continued

The matters set out are:

(a) the likely consequences of any decision in the long term;

The longer term decisions are made at Board level ensuring a wealth of experience and a breadth of skills. The value creation in the business is mainly generated by buying the investments at the right time in the financial cycles, whilst reducing risk by choosing assets that have alternative or back up values to the current use, as well as initial values. It is also key that long term decisions are made in respect of ensuring that property assets are well maintained, where economically viable. Other areas to ensure decisions are in tune with long term consideration are making sure the best possible financing of the Group to match the requirements of the long-term nature of property ownership. The Board and management makes long term decisions such as keeping a vigilant review of the changing nature of property usage and tries where possible to diversify its income streams. Chorley and Trowbridge as purchases are good examples, i.e. both industrial property investments – giving protection against changing consumer habits within retail (which is a larger component of the current portfolio) through diversification/rebalancing the portfolio. In 2024 the Group sold retail assets in Hull, Widnes, Kings Lynn and Blackburn which the Board believed had a weaker outlook.

(b) the interests of the company's employees;

The Company makes investment in and the development of talent of its employees, including paying for professional development, providing in house updates and encouraging knowledge sharing. The Group has a strong track record of promoting from within the business and both our Property Director and Head of Property qualified and trained for their RICS whilst employed at the Group, who fully supported their training. In 2021 the Finance Director was promoted to Chief Executive. The Group undertakes team building activities to encourage cohesion and working together.

(c) the need to foster the company's business relationships with suppliers, customers and others;

Being in the property industry the business is used to dealing with many types of businesses as tenants from large multi-national businesses to small sole traders – keeping good sound relationships with both is key. We also use many small operators and suppliers and we ensure prompt payment, paying within 30 days in most instances to again foster good working relations. We maintain weekly payment runs to support small suppliers.

(d) the impact of the company's operations on the community and the environment;

The Group's investments by their very nature often have a significant impact on local communities, providing services and convenience businesses, or places for local enterprise or employment. By owning a parade of shops, we can ensure where possible that these are viable locations by encouraging a variety of offerings. The Group maintains and upkeeps its investment properties to a viable level which benefits the local communities they provide accommodation for, or seeks improvements in planning permission which can enhance local areas. In 2023 a historic listed building in Liverpool was brought back into use after many years of not being utilised, now being used by a leisure operator. In 2024 we have brought in DocuSign for leases and other agreements dealt with inhouse which will have a beneficial environmental impact with less paper and carbon being produced on the delivery of the documents. We also ensure we upgrade our units to the required EPC levels which by its very nature reduces the longer term environmental impact of the use of these units.

(e) the desirability of the company maintaining a reputation for high standards of business conduct;

The Group maintains an appropriate level of Corporate Governance that is documented within its own section within these Financial Statements and on the Company's website. With a relatively small management team it is easier to monitor and assess the culture and encourage the appropriate standards. The Board strives to delegate and empower its management teams to ensure the high standards are maintained at all levels within the business. In recent years we strengthened the Board the appointments of two non-executive directors with current relevant external knowledge of banking and surveying/valuation.

Group Strategic Report continued

(f) the need to act fairly as between members of the company.

The Group has excellent communication with its members, actively encouraging participation and discussion at its AGMs and also circulating letters of our announcements to ensure older members or those not accessing the financial news can keep up to date with relevant information. Our Chairman is unpaid, his benefit or income from the Company is received via dividends pro-rata the same as all members including minority shareholders.

The Group Strategic Report set out on the above pages, also includes the Chairman's Statement shown earlier in these accounts and was approved and authorised for issue by the Board and signed on its behalf by:

S. J. Peters
Chief Executive Officer

Unicorn House
Station Close
Potters Bar
Hertfordshire EN6 1TL

20 May 2025

Directors' Report

Company number: 00293147

The Directors submit their report together with the audited financial statements of the Company and of the Group for the year ended 31 December 2024.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with applicable law and UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) including FRS101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Group Strategic Report. The financial position of the Group, including key financial ratios, is set out in the Group Strategic Report. In addition, the Directors' Report includes the Group's objectives, policies and processes for managing its capital; the Group Strategic Report includes details of its financial risk management objectives; and the notes to the accounts provide details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk.

The Directors have prepared three detailed financial forecasts to December 2028 assuming a significant downward trend in its income base including loss of major tenant, inflation leading to increasing costs, higher interest rates, worsening bad debts and no major disposals.

The forecasted worst-case scenario demonstrated the Group is a going concern even if the business was subjected to a long downward spiral in its business activities. In summary, the Group's forecasts show that it has enough financial resources to survive to beyond December 2028.

Directors' Report continued

The Group is strongly capitalised, has high liquidity together with a number of long-term contracts with its customers many of which have strong covenants. The Group has a diverse spread of tenants across most industries and owns investment properties based in many locations across the country.

The Group's main loans were renewed in March 2024 for a new four year term with the ability to extend for an additional year (subject to bank approval). The Group always maintains excellent relations with its lenders. The loan is made jointly by two lenders and has a low level of gearing which both give the Group's finance situation more resilience.

The lenders' covenants as at 31 December 2024 have been reviewed and significant movements would be required before a covenant was breached such as a 32% decrease in the secured portfolio valuation (a circa £50 million reduction) or 42% decrease in its actual income cover being circa £5 million reduction in income. The Group also currently has cash reserves (and available facility) and other uncharged assets (including circa £11 million of investment property).

The Directors believe the Group is very well placed to manage its business risks successfully and have a good expectation that both the Company and the Group have adequate resources to continue their operations for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

Principal activities, review of business and future developments

The principal activity of the Group consists of investment and dealing in property and securities.

The review of activities during the year and future developments is contained in the Chairman's Statement and Group Strategic Report.

Company's objectives and management of capital

Our primary objective is to maximise long-term return for our shareholders by stable growth in net asset value and dividend per share, from a consistent and sustainable rental income stream.

The Company's principal capital base includes share capital and retained reserves, which is prudently invested to achieve the above objective and is supplemented with medium to long-term bank finance.

Results and dividends

The profit for the year after taxation, amounted to £6,687,000 (2023: £4,423,000).

The Directors recommend a payment of a final dividend for the year ended 31 December 2024 of 6p per share, following an interim dividend of 6p per share which was paid on 29 October 2024. The final dividend of 6p per share will be payable on 16 July 2025 to shareholders on the register at the close of business on 27 June 2025 (Ex dividend on 26 June 2025). The full ordinary dividend for the year ended 31 December 2024 is anticipated to be 12p per share, subject to shareholder approval, being the 6p interim per share paid and the recommended final dividend of 6p per share.

There was no option of a scrip dividend offered on the dividends paid in 2024 or proposed in 2025.

Directors' Report continued

Directors and their beneficial interests in shares of the Company

The Directors who served during the year and their beneficial interests in the Company's issued share capital were:

	Ordinary shares of £0.25 each	
	2024	**2023**
Andrew Perloff (Chairman)	**3,715,860**	4,015,860
Bryan Galan (Non-executive)	**338,669**	338,669
Peter Kellner (Non-executive)	**26,000**	26,000
Paul Saunders	**3,500**	3,500
John Perloff	**137,500**	137,500
Simon Peters	**227,929**	227,929

A. S. Perloff and his family trusts have beneficial interests in shares owned by Portnard Limited, a Company under their control, amounting to 8,705,175 (2023 – 8,405,175).

There have been no changes in Directors' shareholdings since 31 December 2024.

No beneficial interest is attached to any shares registered in the names of Directors in the Company's subsidiaries. No right has been granted by the Company to subscribe for shares in or debentures of the Company.

Directors' emoluments

Directors' emoluments of £316,000 (2023 – £300,000) are made up as follows:

Director	Salary/ Fees £'000	Bonus £'000	Taxable Benefit £'000	Pension Contribution £'000	Total 2024 £'000	Total 2023 £'000
Executive						
Andrew Perloff	–	–	17	–	**17**	5
John Perloff	74	5	9	2	**90**	82
Simon Peters	118	15	2	23	**158**	161
Non-executive						
Bryan Galan	12	–	–	–	**12**	13
Peter Kellner	12	–	–	–	**12**	13
Jonathan Rhodes	15	–	–	–	**15**	15
Paul Saunders	12	–	–	–	**12**	11
	243	20	28	25	**316**	300

Pension and other benefits

A. S. Perloff is the sole member and beneficiary of a non-contributory Director's pension scheme. The Group ceased contributions in 1997, has not contributed since, and does not anticipate making further contributions.

S. J. Peters had pension contributions paid in the year by the Company of £23,000 (2023 – £11,000) (some by salary sacrifice). J.H. Perloff had pension contributions paid in the year by the Company of £2,000 (2023 – £2,000).

Durning the year, the directors did not receive any other payments, emoluments, compensation or cash or non-cash benefits other than that disclosed above (2023 – £nil).

Directors' Report continued

Third party indemnity provision for Directors

Qualifying third party indemnity provision for the benefit of seven directors was in force during the financial year and as at the date this report was approved.

Capital structure

Details of the issued share capital of the Company are shown in note 22. The Company has one class of ordinary shares which carries no right to fixed income. Each share carries the right to one vote at general meetings of the Company. The details of the Group's treasury policy are shown in note 26.

Financial risk management

Information regarding the use of financial instruments and the approach to financial risk management is detailed in the Group Strategic Report.

Donations

During the year the Group made a £25,000 political donation to the Reform Party (2023 – £20,000). The Group makes donations to charities through advertisements at charity events and in the diaries of charities, the total of which was £8,400 (2023 – £5,600). The Group is a Foundation Partner of the preferred charity of the property industry, Land Aid, donating £10,000 (2023 – £10,000).

Status

Panther Securities P.L.C. is a Company quoted on AIM and is incorporated in England and Wales.

Events after the reporting date

Details of events after the report date are given in the Chairman's Statement and note 30 to the consolidated accounts.

Auditors

In the case of each person who was a Director at the time this report was approved:

- so far as that Director was aware there was no relevant available information of which the Company's auditors is unaware; and
- that Director had taken all steps that the Director ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Crowe U.K. LLP will be proposed for reappointment at the Annual General Meeting in 2025.

This report was approved and authorised for issue by the Board and signed on its behalf by:

S. J. Peters
Chief Executive Officer

Unicorn House
Station Close
Potters Bar
Hertfordshire EN6 1TL

20 May 2025

Corporate Governance

The Board

The Board currently consists of seven (2023 – seven) directors, of whom four are non-executives. It meets regularly during each year to review appropriate strategic, operational and financial matters and otherwise as required. In the year the Board met three times with all members present. It supervises the executive management and a schedule of items reserved for the full Board's approval is in place. The Board has a Chairman and a separate Chief Executive.

The Board considers the four non-executive Directors to be independent and to represent the interests of shareholders. All the non-executive Directors are of the highest calibre. Each is independently minded with a breadth of successful business and relevant experience. They are entitled to the same information as the Executive Directors and are an integral part of the team, making a most valuable contribution. The non-executive Directors have a sufficient level of expertise to challenge and hold the executive Directors to account.

Each Board member has responsibility to ensure that the Group's strategies lead to increased shareholder value.

Biographical details of Executive Directors:-

Andrew Perloff (Chairman)

He has over 55 years' experience in the property sector, including over 45 years' experience of being a director of a Public Listed Company mainly as Panther's Chairman and was the CEO up to 31 December 2021. He has significant experience of corporate activity including ten contested take-over bids and has also served on the Board of Directors of six other public listed companies. He is currently a non-executive director of Airsprung Group PLC, was previously a director New Start 2020 Ltd, Anglia Home Furnishings Ltd and of Beale Ltd.

Simon Peters (Finance Director and CEO)

He is a member of the Chartered Institute of Taxation, a Fellow of the Chartered Certified Accountants and was formerly with KPMG LLP and the Lombard Bank Finance Department. He is currently a non-executive director of Airsprung Group PLC, New Start 2020 Ltd, and was previously a director of Beale Ltd (including when it was fully listed on the LSE) and also previously a director of Anglia Home Furnishings Ltd. He joined Panther in 2004, was appointed Finance Director in 2005 and was appointed as CEO from 1 January 2022.

John Perloff (Executive)

Previously with a commercial West End agent specialising in retail acquisitions and disposals, he joined Panther in 1994. His areas of responsibility include property lettings and acquisitions. He was appointed Executive Director in 2005.

Corporate Governance continued

Biographical details of Non-executive Directors:-

Bryan Galan (Non-executive)

Chairman of the Remuneration Committee. He is a Fellow of the Royal Institution of Chartered Surveyors. He was formerly joint Managing Director of Amalgamated Investment and Property Co. Limited and was previously a Non-executive Director of Rugby Estates Investment Trust Plc.

Peter Kellner (Non-executive)

Chairman of the Audit and Nomination Committees. He is an Associate of the Chartered Institute of Bankers and of the Institute of Taxation. He was formerly joint General Manager of the U.K. banking operations of Credit Lyonnais Bank Nederland NV.

Jonathan Rhodes (Non-executive)

He has over 35 years of experience in the property sector and is a RICS Registered Valuer. He is currently a partner and National Head of Valuation at Cluttons LLP, having previously held similar roles at GL Hearn, DTZ, Donaldsons, Chesterton and Colliers. Joined November 2022.

Paul Saunders (Non-executive)

He has over 40 years of experience at HSBC, predominately in investment and development within the Real Estate sector. His most recent role within HSBC was as a Director within the Real Estate Corporate Capital Origination team at HSBC from 2014 until 2022. He is an Associate of the Chartered Institute of Bankers (ACIB). Joined February 2023.

QCA Corporate Governance Code

The Directors recognise the importance of good corporate governance and have chosen to adopt and apply the Quoted Companies Alliance's 2018 Corporate Governance Code (the 'QCA Code'). The QCA Code was developed by the Quoted Companies Alliance in consultation with a number of significant institutional small company investors, as an alternative corporate governance code applicable to AIM companies. The underlying principle of the QCA Code is that "the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term". Details of how the Company addresses the key governance principles defined in the QCA Code can be found below.

1. Establish a strategy and business model which promote long-term value for shareholders

Panther's strategy and business model are set out in the Group Strategic Report. The strategic objective section of the Group Strategic Report states that the primary objective of the Group is to maximise long-term returns for our shareholders by stable growth in net asset value and dividend per share, from a consistent and sustainable rental income stream. The key challenges to the business and how these are mitigated are also detailed in the Group Strategic Report.

2. Seek to understand and meet shareholder needs and expectations

The Board strongly encourages good communication with investors. The Company sends out announcements via post to shareholders who have requested this and all shareholders can join our mailing list, even if they hold shares in CREST.

The person at the Company with principal responsibility for liaising with shareholders is: Andrew Perloff, Chairman. Shareholders may also contact the Company in writing via the following email address: info@pantherplc.com. Inquiries that are received will be directed to the Chairman if appropriate, who will consider a response. The Company may exercise discretion as to which shareholder questions shall be responded to, and the information used to answer questions will be information that is freely available in the public domain. If deemed necessary, the inquiries will be brought to the Board's attention. All shareholders are ordinarily invited to our Annual General Meeting. Board members are available by phone to discuss the company and there is also shareholders access, before, during and after Annual General Meetings for discussions, therefore providing lots of opportunities for shareholders to understand and address any issues.

Corporate Governance continued

The Board has historically approved a regular dividend for many years, which has to date not decreased. The Board aims to maintain a sustainable and appropriate level of dividend cover. Where exceptional years arise, the Board anticipates this will normally be reflected with special dividends where practicable.

The Board believes the Company's mode of engaging with shareholders is adequate and effective.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group is aware of its corporate social responsibilities and recognises the importance of maintaining effective working relationships across a range of stakeholder groups.

On the basis of the Directors' knowledge and long experience of the operation of the Group, the Board recognises that the long-term success of the Group is reliant upon the efforts of the following key resources and relationships: the Group's employees, tenants, lenders, regulatory authorities, local residents and the general public affected by our activities. The Company actively seeks employees' feedback on their employment with the Company. The Company does this on an ongoing basis, but also holds bi-weekly all party staff meetings where employees are able to provide feedback. The property and finance departments frequently liaise with tenants, which can include receiving tenant feedback. The Company's lenders have teams of account and relationship managers, which the Company communicates with on a regular basis and provides regular management updates and is able to receive any feedback from lenders. The Company is open to feedback from local residents and the general public that may be affected by our activities and, in particular, this is often part of the planning process.

The Group understands the necessity of balancing the needs of all our stakeholder groups while maintaining focus on the Board's primary responsibility to promote the success of the Group for the benefit of its members as a whole.

The Group ensures compliance with regulatory bodies and legislation through various procedures and protocols and receives feedback on matters such as planning on a regular basis. The Group undertakes to resolve any feedback received from stakeholders where appropriate and where such amendments are consistent with the Group's longer term strategy. However, no material changes to the Company's working processes have been required over the year to 31 December 2024, or more recently, as a result of stakeholder feedback received by the Company.

4. Embed effective risk management, considering both opportunities and threats, throughout the organization

The Board's discussion on risk management as described in the disclosure above in respect of Principle One and in the Group Strategic Report, which detail risks to the business and how these are mitigated. The Groups internal controls are designed to manage rather than eliminate risk and provide reasonable assurance against fraud, material misstatement or loss.

The Board seeks to ensure that the correct and necessary level of insurance is in place to cover certain aspects of risks including actions taken against the Directors, as well as all the properties we own. The insured values and types of cover are carefully reviewed periodically and this is a requirement of our main loan agreement.

A commentary on how the Company reviews its internal controls can be found in the disclosure regarding Principle Nine below.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The Board consist of three Executive Directors and four Non-Executive Directors. Biographies of the directors can be found above, the Board considers its four non-executive Directors to be independent. Bryan Galan and Peter Kellner have been directors of the Company since 1994. Despite the length of service of the independent non-executive directors, the rest of the Board consider them to continue to be independent as they are sufficiently removed from the day to day operations of the Company to retain a critical and independent view. Further commentary in respect of the Company's Non-Executive Directors can be found above.

Corporate Governance continued

As detailed above, over 2024 the Board met three times with all members present. Andrew Perloff, Simon Peters and John Perloff work full time. Bryan Galan, Peter Kellner, Jonathan Rhodes and Paul Saunders currently work on average six days per year.

All Directors are kept apprised of financial and operational information in a timely fashion and in advance of any meetings. The Executive Directors regularly attend meetings to ensure decisions are made and inter-departmental communication is strong and transparent.

6. Ensure that between them, the directors have the necessary up-to-date experience, skills and capabilities

The Company has an Executive Chairman being Andrew Perloff, a separate CEO who is also the Finance Director Executive being Simon Peters. John Perloff is an Executive Director. Bryan Galan, Peter Kellner and Jonathan Rhodes are Non-Executive Directors. Biographies of the directors are above.

The Board has a wide and well-rounded level of expertise and experience with a clear and proven track record. Professionally qualified members of the Board keep up to date with their Continuing Professional Development, which ensures they are familiar with changes and current developments in their fields and some members are on other boards which helps them see best practice elsewhere. The Board Members take particular interests in keeping appraised on key issues and developments pertaining to the Group.

During the year ended 31 December 2024, neither the Board nor any committee has sought external advice on a significant matter and no external advisers to the Board or any of its committees have been engaged. Aside from the directors' stated roles and the role of Simon Peters as Company Secretary until 31 December 2024, the Board members do not have any particular internal advisory responsibilities.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The individual Board members are appraised by the Chairman and/or Non-Executives as appropriate on their performance. This process is informal in nature and is performed on an ongoing basis, rather than at pre-determined annual junctures. The main criteria against which individual director effectiveness is considered are: ensuring that the right actions in the business are being taken and ensuring that directors continue to be effective. The Company's director evaluation process has not changed materially relative to previous years, on the basis that the Board are of the view that the above processes are appropriate for the Company's requirements, given the nature of the Company's business and levels of experience on the Board. There were no material findings from the Company's Board appraisals over the year ended 31 December 2024, which was the same in the previous year.

All of the Directors are periodically subject to re-election on a rotation basis at the Annual General Meeting.

The Company does not currently have a periodic appraisal process for the effectiveness of the Board as a whole nor for the effectiveness of the committees (and this has not changed over previous years).

The Board considers succession planning and the need for further board or senior management appointments. The Board believes that there is no need for changes to the current board, management and committee structures and membership in order to meet the needs of the Company's current and medium-term requirements. Regarding longer term succession planning, the Board currently comprises a good spread of ages which provides a natural succession buffer. This includes the recent appointments of Jonathan Rhodes and Paul Saunders.

8. Promote a corporate culture that is based on ethical values and behaviors

The Board promotes a corporate culture of professional behaviour, integrity, professional competence and due care, objectivity and confidentiality. These values are promoted from the top down and embedded in our working practices and company policies. As noted in the disclosure above in respect of Principle Three, the Company holds bi-weekly all party staff meetings where employees are able provide feedback, which allows the Board and management to have insights into the Company's culture.

Corporate Governance continued

When new employees join the Company, they are provided a staff handbook and are required to become familiarised with the Company's working practices and company policies. The Board and management are prepared to take appropriate action against unethical behaviour, violation of company policies or misconduct.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board is satisfied with the Company's corporate governance, given the Company's size and the nature of its operations, and as such there are no specific plans for any material changes to the Company's corporate governance arrangements in the shorter term.

Andrew Perloff is Executive Chairman of the Company. In his role as Chairman, he has overall responsibility for corporate governance matters in the Company, leadership of the board and ensuring its effectiveness on all aspects of its role. Mr Perloff is one of the original co-founders of the Panther Securities property investment business and has been a significant driving force underlying the Group's development. On this basis, the Board considers that it remains in the best interests of the Group to maintain Mr Perloff's position as an Executive Chairman, notwithstanding that this is contrary to recommended best practice in the QCA Code that a Chairman should have adequate separation from the day-to-day business. Simon Peters is Chief Executive Office, in this role he leads the Company's staff and is responsible for implementing those actions required to deliver on the agreed strategy. Andrew Perloff and his family trusts are the beneficiaries of the majority of the Company's ordinary shares. Andrew Perloff is one of the original co-founders of the Panther Securities property investment business and has been a significant driving force underlying the Group's development. For many years, the Board did consider that it was in the best interest of the Group to maintain Andrew Perloff's positions as both Chairman and Chief Executive Officer, notwithstanding that this is contrary to recommended best practice in the QCA Code. However since 1 January 2022 these roles are now split with Simon Peters being the Chief Executive officer.

The Executive Directors have a responsibility for the operational management of the Group's activities. The Non-executive Directors provide independent and objective insight and judgement to Board decisions. The Board has overall responsibility for promoting the success of the Group.

The Board has established an Audit Committee and a Remuneration Committee comprised only of our Non-Executive Directors to provide a level of independence and objectivity.

Audit Committee

The Audit Committee consists solely of the four non-executive Directors and it is chaired by Peter Kellner. Its terms of reference are that it meets at least twice a year to review the Group's accounting policies, financial and other reporting procedures, with the external auditors in attendance when appropriate. Over the year to 31 December 2024 the committee met two times with all members present. The internal controls are reviewed annually ensuring their effectiveness and any specific issues are dealt with if and when they arise. When the Board reviews internal controls they consider the effectiveness of controls, concentrating on all material controls, including operational and compliance controls, and risk management systems.

Remuneration Committee

The Remuneration Committee consists solely of the four non-executive Directors, with Bryan Galan as the Chairman. Its terms of reference are that it reviews the terms and conditions of service of the Chairman and Executive Directors, ensuring that salaries and benefits satisfy performance and other criteria. When setting remuneration the Committee consults with the Chairman of the Board and no external third parties are consulted. In the year to 31 December 2024 the Committee did not meet.

Corporate Governance continued

Remuneration policy

Company policy is to reward fairly the Executive Directors sufficiently to retain and motivate these key individuals. In determining remuneration, consideration is given to their role, their performance, reward levels throughout the organisation, as well as the external employment market. The Remuneration Committee considers that currently the Executive Directors' remuneration is below market comparables, however some directors are incentivised by their personal holdings in the Company. The only element of remuneration that reflects specific performance is the bonuses, however this is adjusted to reflect market conditions and company results.

The Company does not have a Nomination Committee, as the need for appointments and decisions regarding appointments are considered by the Board as a whole.

The key matters reserved for the Board are the following:

- Strategy
- Structure and capital
- Financial reporting and controls
- Internal controls
- Significant investments
- Board membership and other appointments
- Delegation of authority
- Corporate governance
- Approval of company policies
- Other matters, such key adviser appointments and insurance

10. Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company provides extensive information about the Group's activities in the Annual Report and Financial Statements and the Interim Report, copies of which are sent to shareholders. Additional copies are available by application. The Group is active in communicating with both its institutional and private shareholders and welcomes queries on matters relating to shareholdings and the business of the Group. All shareholders are ordinarily encouraged to attend the Annual General Meeting, at which Directors and senior management are introduced and are available for questions. The Company provides a website with up to date information, including announcements and company accounts.

The Board recognises the importance of communication with the Group's shareholders and various stakeholders. The Group updates its website regularly with any announcements and always welcomes shareholders' queries which are welcomed by all members of the Board whenever they arise.

The Annual General Meeting also provides an important opportunity to meet shareholders. The Board has hot drinks before and after the Annual General Meeting where dialogue is encouraged.

The detailed results of voting on all resolutions in future general meetings will not be posted to the Group's website or announced, as the Board feels that these results have in recent years been unambiguous and generally unanimous.

Where a significant proportion of votes (e.g. 20% of independent votes) have been cast against a resolution at any general meeting, the Board will post this on the Group's website and will include, on a timely basis, an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote.

Corporate Governance continued

The Group's financial reports for the last five years can be found online: http://www.pantherplc.com/financial/reports-and-accounts/

Notices of Annual General Meetings of the Company for the last five years are included at the end of each of the annual report and financial statements. Within the last five years, other than its Annual General Meetings, the Company has not held any other General Meetings of Shareholders.

Certain details regarding the Company's Audit Committee and Remuneration Committee and their work over the year to 31 December 2024 can be found in the disclosure above in respect of Principle Nine. The Company's Audit Committee and Remuneration Committee do not produce public reports on their work over the year, although their work and key findings are communicated to the Board. Details of the Company's remuneration policy can be found in the disclosure above in respect of Principle Nine and details of the Directors' remuneration can be found above in the Directors' Report.

Independent Auditors' Report

To the Members of Panther Securities PLC

Opinion

We have audited the financial statements of Panther Securities Plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 December 2024, which comprise:

- the Consolidated income statement for the year ended 31 December 2024;
- the Consolidated statement of comprehensive income for the year ended 31 December 2024;
- the Consolidated and Parent Company statements of financial position as at 31 December 2024;
- the Consolidated and Parent Company statements 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, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included the following:

- Obtained directors' going concern assessment challenging, where appropriate, the assumptions used;
- Tested mathematical accuracy of the financial forecasts models used by management in their assessment.
- Considered the reasonableness of those models, including comparison to actual results achieved in the current year and post year end and the evaluation of downside sensitivities; and
- Discussed with management and evaluated their assessment of the group and the company's liquidity requirement and assessed the compliance with covenants over the assessment period.

Independent Auditors' Report continued

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 Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Overview of our audit approach

We audit the parent company and its subsidiary companies. Our audit approach was developed by obtaining an understanding of the group's activities, the key functions undertaken on behalf of the Board by management and the overall control environment. Based on this understanding we assessed those aspects of the group and subsidiary companies transactions and balances which were most likely to give rise to a material misstatement and were most susceptible to irregularities including fraud or error. Specifically, we identified what we considered to be key audit matters and planned our audit approach accordingly.

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £2,000,000 (2023: £2,000,000), based on 1.0% of the group's total assets. Materiality for the Parent Company financial statements as a whole was set at £500,000 (2023: £450,000) based on 1.9% of the parent company's total assets excluding amounts owed by Group undertakings.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £1,400,000 (2023: £1,400,000) for the group and £350,000 (2023: £315,000) for the parent.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £60,000 (2023: £60,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

We audit the parent company and its subsidiary companies. Our audit approach was developed by obtaining an understanding of the group's activities, the key functions undertaken on behalf of the Board by management and the overall control environment. Based on this understanding we assessed those aspects of the group and subsidiary companies transactions and balances which were most likely to give rise to a material misstatement and were most susceptible to irregularities including fraud or error. Specifically, we identified what we considered to be key audit matters and planned our audit approach accordingly.

Key Audit Matters

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

Independent Auditors' Report continued

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

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of investment properties (group) The valuation of investment property requires significant judgement and estimates by management. The valuation of the group's property portfolio is inherently subjective to, among other factors, the individual nature of each property, its location and the expected future rentals, yield data and comparable market transactions. As a consequence, there is an inherent risk that the carrying value could be subject to material estimation bias. (Note	We gained an understanding of the nature of the assets in the portfolio and ensured classification and designation are appropriate and in line with our expectations. We reviewed the stated accounting policy ensuring it is appropriate to the designation and has been applied consistently. We evaluated the capability, suitability and competence of the group's internal and external valuers, giving specific focus to their qualification and experience. We reviewed management's assessment of the carrying value of the investment properties which was derived from valuation reports prepared by internal and external surveyors. We carried out procedures, on a sample basis, to satisfy ourselves of the accuracy of the property information supplied by management as these form the basis of the valuation reports. We compared the output from directors to the levels of rents achieved and where possible, publicly available benchmark data such as yields. We engaged our own independent property valuation expert to assist with the assessment of key assumptions within in the directors valuations in accordance with ISA (UK) 620 to challenge assessment of the carrying value of investment properties. We spoke directly with the management to confirm the basis on which they had prepared the valuation and how they had arrived at their key inputs, and specifically the property specific yields. We considered the adequacy of disclosures around the sensitivity of the carrying value to changes in reasonable alternative assumptions

Independent Auditors' Report continued

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of derivatives financial instruments (group and parent company) From the accounting policies, the fair value is estimated using the year end yield curve to extract the markets estimate of future pricing for interest rates. An in-house valuation is considered alongside valuations obtained from HSBC and Santander (both counterparties to one agreement) but also providing a value for the agreement they are not party too. An average of the three values (in-house and both banks) for each instrument is taken as the most appropriate value by management. Derivative financial instruments are complex and require specific knowledge and skills to carry out a valuation resulting in an increase in inherent risk. (Note 26)	We gained an understanding of the group's valuation methodology in determining the fair value of the derivative financial instruments and its compliance with the relevant accounting standards. We also assessed management approach on the credit risk on the derivative financial instruments and the appropriateness of the discounts applied. We computed an independent estimate of the fair value of the derivative financial instruments and compared to management's valuation as well as the two bank valuations. We considered the adequacy of disclosures around the derivative financial instruments including the disclosure of the range of the possible fair values, as well as the disclosures around financial risk management
Revenue recognition (group) Revenue for the group consists primarily of rental income. Rental income is based on tenancy agreements where there is a standard process in place for recording revenue. Due to the number of tenancies on different terms, coupled with the practice occasionally offering tenant incentives on the grant of a new lease there an increased inherent risk of error. (Note 4)	We re-performed the rental reconciliations and selected a sample of tenancy agreements per property to validate the inputs into that reconciliation. We also performed comparative analytical procedures based on our knowledge of the tenancy and forming an expectation of rental income for each property and investigated any large or unusual variances. Where tenancy incentives were given on the granting of a new lease we reviewed the rent-free period to agree it is accounted for in accordance with accounting standards. We reviewed the accounting treatment and journals posted in regards to deferred rental income recorded on the group's statement of financial position by agreeing to supporting documentation.
Carrying value of investment in subsidiaries and amounts owed by group undertakings (parent company) The parent company has equity investments in the subsidiaries and accounts for these investments at costs less impairment. The determination of the recoverable value for impairment assessment is underpinned by the valuation of investment properties held in each subsidiary. As mention in the section above on carrying value of investment properties, there is an inherent risk that the carrying value could be subject to material estimation bias. (Note 16)	We obtained an understanding of management's impairment process and critically appraised the assumptions used by management. We compared the carrying value of investment in subsidiaries and amounts owed by group undertakings to the net assets of each subsidiary which is underpinned by valuation of the investment properties held as well as profitability of the corresponding entity.

Independent Auditors' Report continued

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 19, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditors' Report continued

Auditor's responsibilities for the audit of the financial statements

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

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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, inappropriate revenue recognition, judgement surrounding the investment property valuations and trade receivable recoverability. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards and applicable law.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Stallabrass
(Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill
London
EC4M 7JW

20 May 2025

Consolidated Income Statement

For the year ended 31 December 2024

	Notes	31 December 2024 £'000	31 December 2023 £'000
Revenue	5	**15,047**	14,457
Cost of sales	5	**(6,704)**	(6,630)
Gross profit		**8,343**	7,827
Other income	5	**794**	1,043
Administrative expenses		**(1,659)**	(1,843)
Bad debt expense	20	**(526)**	(680)
Operating profit	6	**6,952**	6,347
Profit on disposal of investment properties		**1,296**	305
Movement in fair value of investment properties	15	**1,300**	5,534
		9,548	12,186
Finance costs – interest	10	**(5,722)**	(5,586)
Finance income – swap interest	10	**1,422**	757
Investment income	9	**158**	108
Loss on the disposal of investments		**–**	(4)
Fair value gain/(loss) on derivative financial liabilities	26	**3,265**	(1,962)
Profit before income tax		**8,671**	5,499
Income tax expense	11	**(1,984)**	(1,076)
Profit for the year		**6,687**	4,423
Continuing operations attributable to:			
Equity holders of the parent		**6,687**	4,423
Profit for the year		**6,687**	4,423
Earnings per share			
Basic and diluted – continuing operations	13	**38.4p**	25.3p

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Notes	31 December 2024 £'000	31 December 2023 £'000
Profit for the year		**6,687**	4,423
Items that will not be reclassified subsequently to profit or loss			
Movement in fair value of investments taken to equity	17	**18**	19
Deferred tax relating to movement in fair value of investments taken to equity	24	**(4)**	(5)
Realised fair value on disposal of investments previously taken to equity	17	**–**	43
Realised deferred tax relating to disposal of investments previously taken to equity	24	**–**	(10)
Other comprehensive income for the year, net of tax		**14**	47
Total comprehensive income for the year		**6,701**	4,470
Attributable to:			
Equity holders of the parent		**6,701**	4,470

Consolidated Statement of Financial Position

Company number 00293147

As at 31 December 2024

	Notes	31 December 2024 £'000	31 December 2023 £'000
ASSETS			
Non-current assets			
Plant and equipment	14	**47**	42
Investment properties	15	**182,204**	185,169
Derivative financial asset	26	**4,945**	2,505
Right of use asset		**179**	221
Investments	17	**201**	165
		187,576	188,102
Current assets			
Stock properties	18	**101**	350
Investments		**–**	26
Derivative financial asset	26	**825**	–
Trade and other receivables	20	**4,630**	3,250
Cash and cash equivalents (restricted)	21	**2,604**	954
Cash and cash equivalents	21	**5,038**	4,198
		13,198	8,778
Total assets		**200,774**	196,880
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	22	**4,437**	4,437
Share premium account		**5,491**	5,491
Treasury shares		**(1,088)**	(772)
Capital redemption reserve		**572**	572
Retained earnings		**106,748**	102,144
Total equity		**116,160**	111,872
Non-current liabilities			
Borrowings	23	**61,401**	–
Deferred tax liabilities	24	**5,232**	4,225
Leases	28	**8,190**	8,113
		74,823	12,338
Current liabilities			
Trade and other payables	25	**9,341**	8,528
Borrowings	23	**–**	64,101
Current tax payable		**450**	41
		9,791	72,670
Total liabilities		**84,614**	85,008
Total equity and liabilities		**200,774**	196,880

The accounts were approved by the Board of Directors and authorised for issue on 20 May 2025. They were signed on its behalf by:

A.S. Perloff
Chairman

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Treasury shares £'000	Capital redemption £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2023	4,437	5,491	(772)	604	101,467	111,227
Total comprehensive income	–	–	–	–	4,470	4,470
Dividends	–	–	–	–	(3,844)	(3,844)
Consolidation adjustments	–	–	–	(32)	51	19
Balance at 1 January 2024	4,437	5,491	(772)	572	102,144	111,872
Total comprehensive income	–	–	–	–	6,701	6,701
Dividends	–	–	–	–	(2,093)	(2,093)
Treasury shares purchased	–	–	(316)	–	–	(316)
Consolidation adjustments	–	–	–	–	(4)	(4)
Balance at 31 December 2024	**4,437**	**5,491**	**(1,088)**	**572**	**106,748**	**116,160**

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	31 December 2024 £'000	31 December 2023 £'000
Cash flows from operating activities		
Operating profit	6,952	6,347
Add: Depreciation	27	22
Add: Finance lease depreciation	514	–
Add: Loss on current assets investments	9	–
Rent paid treated as interest	(657)	(680)
Profit before working capital change	6,845	5,689
Decrease in assets held for resale	–	191
Decease in stock properties	249	–
Increase in receivables	(397)	(72)
Increase in payables	838	690
Cash generated from operations	7,535	6,498
Interest paid	(3,366)	(3,856)
Income tax paid	(572)	(361)
Net cash generated from operating activities	3,597	2,281
Cash flows from investing activities		
Purchase of investment properties	(308)	(3,449)
Purchase of investments**	–	(256)
Purchase of plant and equipment	(32)	–
Proceeds from sale of investment property	4,483	950
Proceeds from sale of investments**	–	404
Dividend income received	5	14
Interest income received	153	94
Net cash generated from/(used in) investing activities	4,301	(2,243)
Cash flows from financing activities		
Draw down of loan	1,375	5,000
Repayments of loans	(3,455)	–
Loan amortisation repayments	(125)	(500)
Purchase of own shares	(316)	–
Loan arrangement fees and associated set up costs	(794)	–
Dividends paid	(2,093)	(3,844)
Net cash (used)/generated from financing activities	(5,408)	656
Net increase in cash and cash equivalents	2,490	694
Cash and cash equivalents at the beginning of year*	5,152	4,458
Cash and cash equivalents at the end of year*	7,642	5,152

* Of this balance £2,604,000 (2023: £954,000) is restricted by the Group's lenders i.e. it can only be used for purchase of investment property.

** Shares in listed and/or unlisted companies.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. General information

Panther Securities P.L.C. (the "Company") is a Public Limited Company limited by shares and incorporated in England and Wales. The addresses of its Registered Office and principal place of business are disclosed in the introduction to the Annual Report and Financial Statements. The principal activities of the Company and its subsidiaries (the Group) are described in the Director's Report.

2. New and revised International Financial Reporting Standards

New and amended Standards which became effective in the year

No new standards that are mandatory for the first time for the financial year commencing 1 January 2024 affected any of the amounts recognised in the current year or any prior year and is not likely to affect future periods. There is however an amendment to standards commencing 1 January 2024 contained in paragraph 76ZA of the amendments to IAS 1 Presentation in Financial Statements which requires entities with non-current loan arrangements to disclose information about bank covenants and any circumstances of difficulty in meeting those covenants if relevant. This disclosure appears in note 24. Bank loans.

Standards, interpretations and amendments to published standards that are not yet effective

Amendments to IFRS which will apply in future periods

There are no standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

The Parent Company and subsidiaries have not adopted IFRS in their individual accounts.

3. Critical accounting judgements and key sources of estimation uncertainty

Sources of judgement and estimation uncertainty in respect of the valuation of derivative financial instruments (see note 26) and investment properties (see note 15) are noted in their accounting policies and respective notes. In preparing the financial statements the directors have made a key judgement of whether or not to disclose a material uncertainty in respect of going concern and have concluded that no such uncertainty exists. Full details on this judgement are included in note 4.

4. Significant accounting policies

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards. The financial statements have been prepared on the historical cost basis, except for the revaluation of investment properties, derivative financial instruments and investments which are carried at fair value.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The principal accounting policies are set out below.

Going Concern

The Directors have prepared three detailed financial forecasts to December 2028 assuming a significant downward trend in its income base including loss of a major tenant, inflation leading to increasing costs, higher interest rates, worsening bad debts and no major disposals. The forecasted worst-case scenario demonstrated the Group is a going concern even if the business was subjected to a long downward spiral in its business activities. In summary, the Group's forecasts show that it has enough financial resources to survive to beyond December 2028.

Notes to the Consolidated Financial Statements continued

4. Significant accounting policies continued

The Group is strongly capitalised, has high liquidity together with a number of long-term contracts with its customers many of which have strong covenants. The Group has a diverse spread of tenants across most industries and owns investment properties based in many locations across the country.

The Group's main loans were renewed in March 2024 for a new four year term with the ability to extend for an additional year (subject to bank approval). The Group always maintains excellent relations with its lenders. The loan is made jointly by two lenders and has a low level of gearing which both give the Group's financial position more resilience.

The lenders' covenants as at 31 December 2024 have been reviewed and significant movements would be required before a covenant was breached such as a 32% decrease in the secured portfolio valuation (a circa £50 million reduction) or 42% decrease in its actual income cover being circa £5 million reduction in income. The Group also currently has cash reserves (and available funds under its loan facility) and other uncharged assets (including circa £11 million of investment property).

The Directors believe the Group is very well placed to manage its business risks successfully and have a good expectation that both the Company and the Group have adequate resources to continue their operations for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

More details are provided in the Directors Report within the Going Concern titled section.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, consideration payable including equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date.

Investment properties

Investment properties, which are properties held to earn rentals and/or capital appreciation, are revalued annually using the fair value model of accounting for investment property at the Statement of Financial Position date. When revaluing properties judgements are made based on the covenant strength of tenants, remainder of lease term of tenancy, location and other developments which have taken place in the form of open market lettings, rent reviews, lease renewals and planning consents. Gains or losses arising from changes in the fair value of investment property are included in the Income Statement in the period in which they arise.

The purchase of investment property is recognised on the date that exchange of contract become unconditional. Investment property disposals are recognised on the date that exchange of contracts become unconditional and there is a reasonable expectation that completion will occur. At this point the investment property is derecognised and any difference between consideration received and carrying value is recognised in the Income Statement.

Transfers between investment property and stock properties

Transfers from stock properties to investment property are made at fair value; any difference between the fair value of the property at the date of transfer and its carrying amount is recognised in the Income Statement. For a transfer from investment property carried at fair value to inventories, the property's deemed cost for subsequent accounting in accordance with IAS 2 ('Inventories') is its fair value at the date of change in use.

Notes to the Consolidated Financial Statements continued

4. Significant accounting policies continued

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit or loss for the period. Taxable profit or loss differs from profit or loss as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that have been substantively enacted on or before the Statement of Financial Position date. Deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current assets and liabilities on a net basis. Corporation tax for the period is charged at 25% (2023 – 23.50%).

Revenue recognition

IFRS 15 Revenue from Contracts is applicable to management fees and other income but excludes rent receivable. The majority of the Group's income is from tenant leases and is outside the scope of the standard.

Revenue comprises:

- Rental income from tenancy occupied properties net of Value Added Tax where appropriate: Rental income is recognised in the Income Statement on a straight-line basis over the total lease period. The total expected rent payable over a lease, which takes account of lease incentives, is amortised on a straight-line basis over the term of the lease. Lease incentives are recognised as an integral part of the net consideration for the use of the property.
- Sale of stock properties: This is recognised on completion.

Other income comprises:

- Property management fees on service charge managed properties net of Value Added Tax where appropriate. Income is recognised on an accruals basis when the performance obligations have been met.
- Surrender premiums received on the early termination of tenant leases. Income is recognised on the date of surrender of the lease.
- Option premium and extension fees are recognised when the performance obligations are met and their signed contracts.
- Dilapidation fees received but not expensed against repair costs. Income is recognised when the dilapidation fee has been contractually agreed with the tenant.
- Insurance fees not utilised are recognised when we are sure they are not going to be utilised.

Notes to the Consolidated Financial Statements continued

4. Significant accounting policies continued

The fair value of consideration received or receivable on the above services is recognised when the above revenue can be reliably measured. Revenue from services is recognised evenly over the period in which the services are provided.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are initially recognised at the transaction price in accordance with IFRS 15. IFRS 9 requires the Group to make an assessment of Expected Credit Losses ('ECLs') on its debtors based on tenant payment history and the Directors' assessment of the future credit risk relating to its trade receivables at reporting dates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Bank borrowings

Interest bearing bank loans and overdrafts are initially measured at fair value less any transaction fees such as loan arrangement fees, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds and the settlement or redemption of borrowings is recognised over the term of the borrowings. Where new bank financing is obtained on substantially different terms to the existing financing the original financial liability is derecognised and a new financial liability recognised.

Derivative financial instruments

Certain financial instruments are entered into by the Group to hedge against interest rate fluctuations. These include interest rate swaps, options, collar and caps. Gains and losses on revaluation exclude interest expense on derivatives. The Group does not hold or issue derivatives for trading purposes. Such derivative financial instruments are initially recognised at fair value on the date at which a derivative contract is entered into and are subsequently remeasured at fair value at each reporting date.

The Directors estimate the fair value annually for these financial instruments using the year end yield curve to extract the markets estimate of future pricing for interest rates. An in-house valuation is considered alongside valuations obtained from HSBC and Santander (both counterparties to one agreement) but also providing a value for the agreement they are not party too. An average of the three values (in-house and both banks) for each instrument is taken as the most appropriate value. This is an estimation and as such there is uncertainty to the fair value shown within the accounts – as demonstrated as the three values range from £5.26 million to £6.04 million.

Notes to the Consolidated Financial Statements continued

4. Significant accounting policies continued

For derivatives that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are taken directly to the Income Statement for the year. None of the Group's derivative financial instruments qualify for hedge accounting.

Swap variation costs to alter a swap instruments are recognised as finance expense in the year.

Investments

Under IFRS 9, the Group has made an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes through other comprehensive income, and classified in the Statement of Financial Position as investments. Fair values of these investments are based on quoted market prices where available. Investments in unquoted equity securities is considered and also measured at fair value. Movements in fair value are taken directly to equity. When these investments are considered impaired in accordance with the requirements of IFRS 9, the impairment losses are recognised in the Income Statement. The investments represent investments in listed and unquoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. Those shares that are expected to be held for the long term are shown as non-current assets and those that are held for short term are shown as current assets.

Current asset investments are held for short term trading and are carried at fair value with movements in fair value recognised in the Income Statement.

Impairment of investments (non-current assets)

At each Statement of Financial Position date a provision for impairment is established based on expected credit losses. If the asset is judged to be impaired the loss is recognised in the Income Statement.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date, and are discounted to present value where the effect is material.

Stock properties

Properties that are purchased for future sale are classified as stock properties. Stock properties are valued at the lower of cost and net realisable value. Cost comprises the cost of the property and those overheads that have been incurred in bringing the stock properties to their present condition. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

Share capital

Share capital represents the nominal value of shares issued by the Company.

Share premium

Share premium represents amounts received in excess of nominal value on the issue of share capital.

Treasury shares

Treasury shares represents the cumulative amounts paid to re-purchase shares in the company.

Capital redemption reserve

The capital redemption reserve arises on the purchase of the Company's own shares for cancellation.

Notes to the Consolidated Financial Statements continued

4. Significant accounting policies continued

Retained earnings

Retained earnings represent the accumulated comprehensive income and losses of the Group less dividends paid.

Dividends

Dividends are recognised based on the value per share declared. Interim dividends are recognised when declared and final dividends are recognised at the point of shareholder approval. Where scrip dividends are issued, the value of such shares, measured as the amount of the cash dividend alternative, is credited to share capital and share premium. The net movement in equity represents the cash paid on the dividend.

Leases

Under IFRS 16 a right of use asset and a lease liability has been recognised for all leases except leases of low value assets, which are considered to be those with a fair value below £10,000, and those with a duration of 12 months or less. The right-of-use asset has been measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Where impairment indicators exist, the right of use asset will be assessed for impairment.

The lease liabilities are measured at the present value of the lease payments due to the lessor over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

After initial measurement, any payments made will reduce the liability and the interest accrued will increase it. Any reassessment or modification will lead to a remeasurement of the liability. In such case, the corresponding adjustment will be reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

On the Statement of Financial Position, right-of-use assets have been capitalised and included as a separate item.

The Group as lessor

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term. The sub-lease for the office premises has not been recognised on the grounds of materiality.

5. Revenue, cost of sales and other income

The Group's only operating segment is investment and dealing in property and securities. All revenue, cost of sales and profit or loss before taxation is generated in the United Kingdom. The Group is not reliant on any key customers.

Other income

	2024 £'000	2023 £'000
Surrender/variation premiums	**649**	480
Service charge management fees	**120**	106
Dilapidations and other	**25**	457
	794	1,043

Notes to the Consolidated Financial Statements continued

6. Operating profit

The operating profit for the year is stated after charging:	2024 £'000	2023 £'000
Fees payable to the Group's auditor for the audit of both the parent company and the Group's annual report and accounts (and its subsidiaries):	**109**	99
Fees paid to the Group's auditor for other services:		
Other services provided	**2**	2

7. Staff costs

	2024 £'000	2023 £'000
Staff costs, including Directors' remuneration, were as follows:		
Wages and salaries	**878**	853
Social security costs	**95**	91
Pension contributions	**22**	24
	995	968

	2024 Number	2023 Number
The average monthly number of employees, including Directors, during the year was as follows:		
Directors	**7**	7
Other employees	**13**	13
	20	20

8. Directors' remuneration

	2024 £'000	2023 £'000
Emoluments for services as Directors	**316**	300

There are no Directors with retirement benefits accruing under money purchase pension schemes in respect of qualifying services. Please refer to the Directors' Report for information on the highest paid Director and in respect of individual Directors' emoluments. Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. In the opinion of the Board, the Group's key management comprises the Executive and Non-Executive Directors of Panther Securities PLC. Information regarding their emoluments is set out above.

The following disclosures are in respect of employee benefits payable to the Directors of Panther Securities PLC across the Group and are thus stated in accordance with IFRS:

	2024 £'000	2023 £'000
Emoluments for services as directors	**316**	300
Employers' NIC	**40**	40
Short term employee benefits (salaries and benefits)	**356**	340

Notes to the Consolidated Financial Statements continued

9. Investment income

	2024 £'000	2023 £'000
Interest on bank deposits and other	**153**	94
Dividends from equity investments	**5**	14
	158	108

10. Finance costs

	2024 £'000	2023 £'000
Interest payable on bank overdrafts and loans	**5,065**	4,906
Interest payable on lease liabilities	**657**	680
Finance costs – interest	**5,722**	5,586
Finance (income)/costs – swap interest (on financial derivatives)	**(1,422)**	(757)
	4,300	4,829

11. Income tax charge

The charge for taxation comprises the following:

	2024 £'000	2023 £'000
Current year UK corporation tax	**1,015**	41
Prior year UK corporation tax	**(34)**	196
	981	237
Current year deferred tax debit – note 24	**1,003**	839
Income tax expense for the year	**1,984**	1,076

Domestic income tax is calculated at 25% (2023 – 23.5%) of the estimated assessable profit or loss for the year. The provision for deferred tax has been calculated on the basis of 25.00% (2023 – 25.00%).

The total charge for the year can be reconciled to the accounting profit or loss as follows;

	2024 £'000	2024 %	2023 £'000	2023 %
Profit before taxation	**8,671**		5,499	
Profit before tax multiplied by the average of the standard rate of UK corporation tax of 25% (2023 – 23.5%)	**2,168**	**25**	1,292	23.5
Tax effect of expenses that are not deductible in determining taxable profit	**26**	**0.3**	37	0.7
Dividend income not taxable for tax purposes	**(1)**	**(0.0)**	(3)	(0.1)
Loss brought forward (utilised)	**(48)**	**(0.6)**	–	–
Tax on chargeable gains difference to profits	**(84)**	**(1.0)**	(70)	(1.3)
Movement in deferred tax on revalued assets	**(43)**	**(0.5)**	(376)	(6.8)
Prior year corporation tax over provision	**(34)**	**(0.4)**	196	3.6
Tax charge	**1,984**		1,076	

Notes to the Consolidated Financial Statements continued

12. Dividends

Amounts recognised as distributions to equity holders in the period:

	2024 £'000	2023 £'000
Interim dividend for the year ended 31 December 2024 of 6p per share (2023: 6p per share)	**1,046**	1,048
Final dividend for the year ended 31 December 2023 of 6p per share (2022: 6p per share)	**1,047**	1,048
Special dividend for the year ended 31 December 2023 of 10p per share	**–**	1,748
	2,093	3,844

The Directors recommend a payment of a final dividend for the year ended 31 December 2024 of 6p per share, following an interim dividend of 6p per share which was paid on 29 October 2024. The final dividend of 6p per share will be payable on 16 July 2025 to shareholders on the register at the close of business on 27 June 2025 (Ex dividend on 26 June 2025).

The full ordinary dividend for the year ended 31 December 2024 is anticipated to be 12p per share, subject to shareholder approval, being the 6p interim per share paid and the recommended final dividend of 6p per share.

13. Earnings per ordinary share (basic and diluted)

The calculation of profit per ordinary share is based on the profit, being a profit of £6,687,000 (2023 – £4,293,000) and on 17,420,429 ordinary shares being the weighted average number of ordinary shares in issue during the year excluding treasury shares (2023 – 17,471,929). There are no potential ordinary shares in existence. The Company holds 378,000 (2023 – 275,000) ordinary shares in treasury.

14. Plant and equipment

	Fixtures and equipment £'000	Motor vehicles £'000	Total £'000
Cost			
At 1 January 2023	182	8	190
Additions	–	–	–
At 1 January 2024	182	8	190
Additions	32	–	32
At 31 December 2024	**214**	**8**	**222**
Accumulated depreciation			
At 1 January 2023	118	8	126
Depreciation charge for the year	22	–	22
At 1 January 2024	140	8	148
Depreciation charge for the year	27	–	27
At 31 December 2024	**167**	**8**	**175**
Carrying amount			
At 31 December 2024	**47**	**–**	**47**
At 31 December 2023	42	–	42

Notes to the Consolidated Financial Statements continued

15. Investment properties

	Investment properties £'000
Fair value	
At 1 January 2023	176,937
Additions	3,449
Disposals	(645)
Fair value adjustment on investment properties held on leases	(106)
Revaluation increase	5,534
At 1 January 2024	185,169
Additions	308
Disposals	(4,195)
Fair value adjustment on investment properties held on leases	(378)
Revaluation increase	1,300
At 31 December 2024	**182,204**
Carrying amount	
At 31 December 2024	**182,204**
At 31 December 2023	185,169

At 31 December 2024, £146,500,000 (2023 – £150,057,000) and £35,704,000 (2023 – £35,112,000) included within investment properties relates to freehold and leasehold properties respectively.

On the historical cost basis, investment properties would have been included as follows:

	2024 £'000	2023 £'000
Cost of investment properties	**142,254**	145,836

The Group has pledged £161,645,000 (ignoring lease obligations) of investment property (2023 – £163,745,000) as security for the main loan facilities with HSBC and Santander granted to the Group at the Statement of Financial Position date.

Costs relating to ongoing and potential developments are included in additions to investment properties and in the year ended 31 December 2024 amounted to £nil (2023 – £41,000).

The property rental income earned by the Group from its investment property (this excludes rental income on stock properties), all of which is leased out under operating leases, amounted to £14,635,000 (2023 – £14,408,000).

Notes to the Consolidated Financial Statements continued

15. Investment properties continued

Property valuations are complex, require a degree of judgement and are based on data some of which is publicly available
Property valuations are complex, require a degree of judgement and are based on data some of which is publicly available
and some that is not. Consistent with EPRA guidance, we have classified the valuations of our property portfolio as level 3 as defined by IFRS 13 Fair Value Measurement. Level 3 means that the valuation model cannot rely on inputs that are directly available from an active market; however there are related inputs from auction results that can be used as a basis. These inputs are analysed by segment in relation to the property portfolio. All other factors remaining constant, an increase in rental income would increase valuation, whilst an increase in equivalent nominal yield would result in a fall in value and vice versa.

In establishing fair value the most significant unobservable input is considered to be the appropriate yield to apply to the rental income. This is based on a number of factors including financial covenant strength of the tenant, location, marketability of the unit if it were to become vacant, quality of property and potential alternative uses.

Yields applied across the majority of the portfolio are in the range of 6% – 14% with the average yield being circa 8.4%. Assuming all else stayed the same; a decrease of 1% in the average yield would result in an increase in fair value of £23,579,000. An increase of 1% in the average yield would result in a decrease in fair value of £18,563,000.

Directors did their own valuation for the year ended 31 December 2024. For this exercise they revised the Carter Jonas updated valuation for the lenders which was undertaken at July 2023 (which equated to 92.4% of the investment properties valuation at the year end) which was the starting point. The Directors also utilised the values provided by Cluttons who were asked for their view on some of the higher value uncharged properties at 31 December 2023 which equated to a further 3.7% of the portfolio. The valuation methodology applied by the Directors and previously by the external valuers is in accordance with The RICS Valuation Global Standards (effective from July 2017), which is consistent with the required IFRS 13 methodology. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For some properties, valuation was based on an end development rather than investment income in order to achieve highest and best use value. To get the valuation in this instance the end development is discounted by profit for a developer and cost to build to get to the base estimated market value of investment. The amount of unrealised gains or losses on investment properties is charged to the Income Statement as the movement in fair value of investment properties, for 2024 this was a fair value gain of £1,300,000 (2023 – £5,534,000). The amount of realised gains or losses is shown as the profit on disposal of investment properties within the income statement, for 2024 there was a realised gain of £1,296,000 (2023 – £305,000).

Notes to the Consolidated Financial Statements continued

16. Subsidiaries

Details of the Company's subsidiaries at 31 December 2024 are as follows;

Name of subsidiary	Country of incorporation and operation	Activity	Proportion of ownership interest %	Proportion of voting power held %
Panther (Dover) Limited	Great Britain	Property	100	100
Panther Gateshead (VAT) Limited	Great Britain	Property	100	100
Panther Maldon Industrial Limited	Great Britain	Property	100	100
Panther Shop Investments	Great Britain	Property	100	100
(Midlands) Limited	Great Britain	Property	100	100
Panther Investment Properties Limited	Great Britain	Property	100	100
Panther (Bromley) Limited	Great Britain	Property	100	100
Snowbest Limited	Great Britain	Property	100	100
Surrey Motors Limited	Great Britain	Dormant	100	100
Northstar Property Investment Limited	Great Britain	Property	100	100
Panther (VAT) Properties Limited	Great Britain	Property	100	100
Northstar Land Limited	Great Britain	Dormant	100	100
London Property Company PLC	Great Britain	Dormant	100	100
Eurocity Properties (Central) Limited	Great Britain	Property	100	100
CJV Properties Limited	Great Britain	Property	100	100
Panther AL Limited	Great Britain	Property	100	100
Panther AL (VAT) Limited	Great Britain	Property	100	100
Melodybright Limited	Great Britain	Property	100	100
Panther Hinckley (VAT) Limited	Great Britain	Property	100	100
Lord Street Properties (Southport) Limited	Great Britain	Property	99.99	99.99

During 2024 and specifically at the time of the refinance the Group was simplified with some surplus dormant companies being voluntary struck off and some subsidiaries are now held directly by Panther Securities PLC, when previously there was an intermediate holding company.

All companies have a 31 December year end and have been included in the consolidated financial statements.

The registered office of all the above companies is Unicorn House, Station Close, Potters Bar, Herts, EN6 1TL.

Notes to the Consolidated Financial Statements continued

17. Investments

	Non-current assets £'000
Cost or valuation	
At 1 January 2023	256
Additions	256
Movement in fair value taken to equity	62
Disposals	(409)
At 1 January 2024	165
Transfer from Current asset Investments (shares)	18
Movement in fair value taken to equity	18
Disposals	–
At 31 December 2024	**201**
Comprising at 31 December 2024:	
At cost	17
At valuation/net realisable value	184
Carrying amount	
At 31 December 2024	**201**
At 31 December 2023	165

The investments represent investments in listed and unquoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of the listed securities are based on quoted market prices. The securities carried at fair value are classified as Level 1 in the fair value hierarchy specified in IFRS 13. The fair value of investments in unquoted equity securities, which are not publicly traded, is measured at fair value or cost when this cannot easily be determined. The valuation of the investments is sensitive to stock exchange conditions.

Price risk

For the year ended 31 December 2024 if the average share price of the portfolio was 10% lower, then the loss recognised in Other Comprehensive Income would have been £18,000 lower (2023: £12,000 lower). Corresponding gains would be seen for a 10% uplift.

18. Stock properties

	2024 £'000	2023 £'000
Stock properties	**101**	350

The market value of stock properties is £101,000 (2023 – £465,000).

£Nil (2023: £365,000) of stock properties at market value have been provided as security for the bank loan from HSBC and Santander referred to in note 24.

The market value shown as at 31 December 2024, the stock property was valued by the Directors for the year end. The stock properties are held at the lower of cost and market value and as such any uplift is not recognised in the financial statements.

Notes to the Consolidated Financial Statements continued

19. Capital commitments

	2024 £'000	2023 £'000
Capital expenditure that has been contracted for but has not been provided for in the accounts	–	200

20. Trade and other receivables

	2024 £'000	2023 £'000
Trade receivables	**3,263**	2,870
Bad debt provision	**(1,113)**	(1,060)
	2,150	1,810
Other debtors	**185**	16
Prepayments	**395**	375
Accrued income	**1,900**	1,049
	4,630	3,250

The Directors consider that the carrying amount of trade and other receivables approximates their fair value. Net trade receivables are financial assets. The total of financial assets included within the financial statements at amortised cost is £11,877,000 (2023 – £8,027,000) (which relates to £4,235,000 (2023 – £2,875,000) included in the above (less prepayments) and the Group's cash or cash equivalents).

Debts are specifically provided for on an expected credit loss model. The bad debt provision includes all material doubtful debts that the directors are aware of. Other receivables and accrued income are shown net of provisions.

Aged Trade receivables are shown below:

	2024 £'000	2024 %	2023 £'000	2023 %
Up to 30 days	**2,008**	**62%**	1,661	58%
Up to 60 days	**103**	**3%**	98	3%
Up to 90 days	**36**	**1%**	–	0%
Up to 120 days	**596**	**18%**	423	15%
Over 120 days	**520**	**16%**	688	24%
Total	**3,263**		2,870	

Notes to the Consolidated Financial Statements continued

20. Trade and other receivables continued

Movement in allowance for doubtful debts on trade receivables:

	Trade receivables £'000
Balance at 1 January 2023	1,660
Amount written off as uncollectable	(1,280)
Charge/(credit) to income statement	680
Balance at 1 January 2024	**1,060**
Amounts written off as uncollectable	(473)
Charge to income statement	526
Balances at 31 December 2024	**1,113**

21. Other financial assets

Cash and cash equivalents

Cash and cash equivalents comprise of cash held by the Group and short-term bank deposits. The carrying amount of these assets approximates their fair value. Within Cash and Cash equivalents but separately identified on the Consolidated Statement of Financial Position is cash described as restricted, this is a separate bank account set up as part of the loan agreement were property disposal proceeds, not used to decease the loan, can be held to reinvest in other investment properties but other uses are restricted to agreement with the lenders.

Credit risk

The Group's financial assets are cash and cash equivalents and trade and other receivables.

The credit risk on liquid funds is mitigated by the use of bank counterparties with high credit-ratings assigned by international credit-rating agencies. Further information on the Group's credit risk is detailed within the Group Strategic Report.

22. Share capital

	2024 £'000	2023 £'000
Allotted, called up and fully paid		
17,746,929 (2023 – 17,746,929) ordinary shares of £0.25 each	**4,437**	4,437

The Company has one class of ordinary shares which carry no fixed right to income.

During 2024 no ordinary shares were issued in the period (2023 – no ordinary shares were issued). 378,000 (2023 – 275,000) ordinary shares are held in treasury.

Notes to the Consolidated Financial Statements continued

23. Bank loans

	2024 £'000	2023 £'000
Bank loans due within one year *(within current liabilities)*	–	64,101
Bank loans due after more than one year *(within non-current liabilities)*	**61,401**	–
Total bank loans	**61,401**	64,101

Analysis of debt maturity	2024 £'000 Interest*	2024 £'000 Capital	2024 £'000 Total	2023 £'000 Total
Bank loans repayable				
On demand or within one year	**4,241**	**–**	4,241	65,903
In the second year	**4,228**	**375**	4,603	–
In the third year to the fifth year	**9,390**	**61,026**	70,416	–
	17,859	**61,401**	79,260	65,903

* based on the 3 month SONIA floating rate charged in March 25 – 4.68%.

On 28 March 2024, the Group refinanced by completing a new facility of £68 million, split between a £55 million term loan and a £13 million revolving facility. The new facility has a four-year term (with a further one-year option to extend subject to credit approval). The interest rate payable is 2.3 per cent. over three month SONIA with a ratchet that can take it to 2.5 per cent over three month SONIA in certain circumstances.

HSBC and Santander remain as the joint providers of the new facility.

The bank loans are secured by first fixed charges on the properties held within the Group and floating asset over all the assets of the Company. The lenders have also taken fixed security over the shares held in the Group undertakings.

The estimate of interest payable is based on current interest rates and as such, is subject to change.

The Directors estimate the fair value of the Group's borrowings, by discounting their future cash flows at the market rate (in relation to the prevailing market rate for a debt instrument with similar terms). The fair value of bank loans is not considered to be materially different to the book value. Bank loans are financial liabilities.

The fair value of the loan held at amortised cost at 31 December 2024 was £61,895,000 (2023 – £63,015,000). The Group has the following bank covenants that are reported for the quarters to 1 March, 1 June, 1 September and 1 December:

- Loan to value
- Loan & hedging to value
- Interest cover over the last 12 months
- Projected interest cover
- Tangible net worth
- Net debt to tangible net worth

During the year, the Group met all of its covenants with strong head room.

Notes to the Consolidated Financial Statements continued

24. Deferred taxation

The following are the major deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and prior reporting periods.

	Total £'000
Liability at 1 January 2023	(3,371)
Debit to equity for the year	(15)
Debit to Income Statement for the year	(839)
Liability at 1 January 2024	(4,225)
Debit to equity for the year	(4)
Debit to Income Statement for the year	(1,003)
Liability at 31 December 2024	**(5,232)**

Deferred taxation arises in relation to:

Deferred tax

	2024 £'000	2023 £'000
Deferred tax liabilities:		
Investment properties	**(4,184)**	(4,028)
Derivative financial liability	**(1,443)**	(626)
Deferred tax assets:		
Tax allowances in excess of book value	**346**	376
Fair value of investments	**49**	53
Net deferred tax (liabilities)/asset	**(5,232)**	(4,225)

As at 31 December 2024 the substantively enacted rate was 25% (2023: 25%) and this has been used for the deferred tax calculation.

25. Trade and other payables

	2024 £'000	2023 £'000
Trade creditors	**2,525**	2,068
Social security and other taxes	**399**	352
Other creditors	**1,664**	1,598
Leases (see note 28)	**680**	680
Accruals	**1,488**	1,331
Deferred income	**2,585**	2,499
	9,341	8,528

Trade creditors and accruals comprise amounts outstanding for trade purchases.

The Directors consider that the carrying amount of trade payables approximates their fair value.

All trade and other payables are due within one year. Trade creditors and accruals are financial liabilities.

Liabilities included within the financial statements at amortised cost total £76,347,000 (2023 – £78,243,000) (includes payables above and the long term and short term borrowings, excluding deferred income plus lease liabilities).

Notes to the Consolidated Financial Statements continued

26. Derivative financial instruments

The main risks arising from the Group's financial instruments are those related to interest rate movements. Whilst there are no formal procedures for managing exposure to interest rate fluctuations, the Board continually reviews the situation and makes decisions accordingly. Hence, the Company will, as far as possible, enter into fixed interest rate swap arrangements. The purpose of such transactions is to manage the cash flow risks associated with a rise in interest rates but does expose it to fair value risk.

Bank loans Interest is charged as to:	2024 £'000	Rate	2023 £'000	Rate
Fixed/Hedged				
HSBC Bank plc	**35,000**	**5.70%**	35,000	6.10%
HSBC Bank plc	**25,000**	**4.31%**	25,000	4.71%
Unamortised loan arrangement fees	**(644)**		(149)	
Floating element				
HSBC Bank plc	**2,045**		4,250	
	61,401		64,101	

The rates shown includes a 2.3% margin (2023 – 2.7%).

Bank loans totalling £60,000,000 (2023 – £60,000,000) are fixed using interest rate swaps removing the Group's exposure to fair value interest rate risk. Other borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

Financial instruments for Group and Company

The derivative financial assets and liabilities are designated as held for trading.

	Hedged amount £'000	Average rate	Duration of contract remaining 'years'	2024 Fair value £'000	2023 Fair value £'000
Derivative Financial Asset/(Liability)					
Interest rate swap	35,000	3.40%	13.69	**2,867**	347
Interest rate swap	25,000	2.01%	6.92	**2,903**	2,158
				5,770	2,505
Net fair value gain/(loss) on derivative financial assets				**3,265**	(1,962)

Neither contracts include break options in the term but are repayable on a cessation of lending.

Interest rate derivatives are shown at fair value in the Income Statement, and are classified as Level 2 in the fair value hierarchy specified in IFRS 13.

The vast majority of the derivative financial liabilities are due in over one year and therefore they have been disclosed as all due in over one year.

As mentioned elsewhere within these accounts the valuation of these derivative instruments is problematic as a singular number cannot fully make clear the high sensitivity effecting the calculated valuation to the various inputs and market conditions. In order to demonstrate the variations, the combined value of these instruments between 2008 and 2024 have been at the best a £6m asset and at worst shown was £31m liability. Since the variation in rates in 2021 from 5.06% to 3.40% from Sept 23 and due to the instrument entered into in April 2018 (rate of 2.01%), the board believes the outlook for these instruments will be more favourable than they or previous ones have been, and should be less volatile, when considering the projected market interest rates.

Notes to the Consolidated Financial Statements continued

26. Derivative financial instruments continued

Taking the existing estimate of our financial derivative fair value at the year end, very approximately if the market expected interest rates to be on average a 100 basis points higher over the life of our financial derivatives (this rate change also factors into the group's expected cost of capital or discount factor) this would increase the current asset by £6m being a £11.5m or £12.5m asset (further a 100 basis points reduction on average – would lead to an estimated £4.5m reduction in value or being a £0.5m to £1.5m asset).

The above fair values are based on quotations from the Group's banks and Directors' valuation.

Analysis of debt maturity

Annual cash flows in respect of derivative financial instruments are approximately an income of £1,422,000 (2023: cost of £757,000) per annum based on current SONIA rates.

Interest rate risk

For the year ended 31 December 2024, if on average the 3 month SONIA over the year had been 100 basis points (1%) higher with all other variables held constant, under the financing structure in place at the year end, profit before tax for the year would have been approximately £20,000 lower (2023: £40,000 lower). This analysis excludes any effect this rate adjustment might have on expectations of future interest rates movements which is likely to affect the estimation of the fair value of the derivative financial liabilities (as this movement would also be shown within the Income Statement affecting post-tax profit or loss), but indicates the likely cash saving/(cost) a 100 basis points (1%) movement would have had for the Group.

Treasury management

The long-term funding of the Group is maintained by three main sources, all with their own benefits. The Group has equity finance, has surplus profits and cash flow which can be utilised, and also has loan facilities with financial institutions. The various available sources provide the Group with more flexibility in matching the suitable type of financing to the business activity and ensure long-term capital requirements are satisfied. Please also see the Financial Risk management: Objectives, policies and processes for managing risk, of the Group Strategic Report.

27. Contingent liabilities

There were no contingent liabilities at the year-end (2023: nil).

Notes to the Consolidated Financial Statements continued

28. Lease arrangements and obligations under leases

IFRS 16 eliminates the classification of leases as operating leases or finance leases and treats all in a similar way to finance leases for lessees only.

The Group as lessee

The Group paid rent under non-cancellable leases in the year of £888,000 (2023 – £822,000).

The majority of these non-cancellable lease obligations are long leasehold investments in which the Group receives a profit rent. These investments often have rents payable, often with a contingent element (for example paying a proportion of collected rents), and a minimum rent obligation that is due to the superior landlord.

The average lease length is 146 years. The minimum rental payment obligations due under these operating leases and anticipated rental income derived from these investments are shown below. The rate used to determine the present value of the minimum rental payment obligations, is the cost of capital relevant to the time they were first entered into (majority of these are at 7.13% relating to when standard first introduced). The difference between the rents payable in the year of £822,000 (2023: £822,000) and the minimum for the year of £680,000 (2023: £680,000) is related to the contingent element only payable out of rents receivable.

Minimum future payments under non-cancellable leases

(Lessee)	2024 £'000	2023 £'000
Payable within one year	**680**	680
Payable between one year and five years	**2,720**	2,720
Payable in more than five years	**42,300**	42,939
	45,700	46,339

Anticipated rental income derived under non-cancellable sub leases

(Lessor)	2024 £'000	2023 £'000
Payable within one year	**3,459**	3,358
Payable between one year and five years	**9,050**	9,226
Payable in more than five years	**4,607**	4,584
	17,116	17,168

	2024 £'000	2023 £'000
Leases due within one year		
(included within current liabilities)	**680**	680
Leases due within one to five years	**2,720**	2,720
Leases due in more than five years	**5,470**	5,393
(included within non-current liabilities)	**8,190**	8,113
Total lease obligations	**8,870**	8,793

Notes to the Consolidated Financial Statements continued

28. Lease arrangements and obligations under leases continued

The Group as a lessor

The Group rents out its investment properties under leases. Revenue represents the Groups rental income for the year.

Contracted rental income derived under non-cancellable leases on investment properties

	2024 £'000	2023 £'000
Payable within one year	**12,610**	11,927
Payable between one year and five years	**34,012**	33,734
Payable in more than five years	**27,767**	26,737
	74,389	72,398

29. Reconciliation of liabilities from financing activities

	1 January 2023 £'000	Cash flow £'000	Non-cash movements New Leases £'000	Other non-cash movements £'000	31 December 2023 £'000
Derivative financial instruments	4,467	–	–	(1,962)	2,505
Leases (current)	(687)	687	–	(680)	(680)
Leases (non-current)	(8,249)	–	(544)	680	(8,113)
Borrowings (current)	(500)	500	–	(64,101)	(64,101)
Borrowings (non-current)	(58,807)	(5,000)	–	63,807	–
	(63,776)	(3,813)	(544)	(2,256)	(70,389)

	1 January 2024 £'000	Cash flow £'000	Non-cash movements New leases £'000	Other non-cash movements £'000	31 December 2024 £'000
Derivative financial instruments	2,505	–	–	3,265	**5,770**
Leases (current)	(680)	680	–	(680)	**(680)**
Leases (non-current)	(8,113)	–	(757)	680	**(8,190)**
Borrowings (current)	(64,101)	(1,250)	–	65,351	**–**
Borrowings (non-current)	–	3,455		(64,856)	**(61,401)**
	(70,389)	2,885	(757)	3,760	**(64,501)**

30. Events after the reporting date

On 10 February 2025 the Group disposed of its freehold investment properties owned in Wolverhampton for £2,500,000. This is expected to generate a £330,000 profit on disposal in the 2025 accounts before costs of disposal.

On 3 March 2025 the Group paid back £5,100,000 of the loan facility (using disposal proceeds), these funds can be redrawn.

Notes to the Consolidated Financial Statements continued

31. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. The compensation of the Group's key management personnel is shown in note 8 to the financial statements and Directors' emoluments are shown in note 8 and the Directors' Report.

At 31 December 2024 included within creditors was, £10,000 (2023: 7,000) payable to the beneficiaries of the estate of late F Perloff, £8,000 was due from H Perloff (2023: £6,000 due to H Perloff), all close family members of a director. Movement in the year related to property management services. Also, A Perloff was owed £11,000 by the Group (2023: £3,000) at the year end. The balance owed by H Perloff at 31 December 2024 were cleared in early 2025.

A property in Widnes was disposed of at auction in August 2024, where a relative of a Director of the Company (A Perloff), was successful at the auction. As this was marketed widely and eventually sold at auction, we are satisfied that this transaction was done at arms-length.

At 31 December 2024 included within creditors was, £44,000 (2023: £21,000) owed to Maland Pension Fund a company sponsored pension scheme (for a director, A Perloff). This is a trading relationship as the balance owed was in relation to a jointly owned property where the interests were split and have been for many years. The Company has not contributed for over a decade and there are no plans to make any further contributions.

Anglia Home Furnishings Ltd ("AHF") t/a Fabb was sold on 23 April 2024 and is no longer a connected party. AHF previously was a company owned wholly by Portnard Ltd (48% shareholder in Panther and has common directors). From the beginning of 2024 to the date of sale, the Group received nil income and £34,000 was outstanding for the March 2024 quarter at disposal. This was paid in May 2024.

New Start 2020 Ltd is no longer a connected party as 80% of this company was sold in September 2023. In prior years it rented properties from the Group but no longer rents any units.

There were no transactions with Airsprung Group PLC in 2024. Previously machines were bought for £224,000 (at disposal in 2023 they were written down to £191,000) with the intention to lease these to Airsprung Group PLC (also owned wholly by Portnard Ltd). The arrangement was reviewed and approved by the non-executives on the board. However in March 2023 the machines were sold to Airsprung Group PLC for £245,000 and the leasing arrangement was ended.

Jonathan Rhodes is a non-executive director of Panther Securities PLC but also a partner in Cluttons, the Company obtain guidance on valuations from Cluttons in 2023 and paid a valuation fee totalling £11,000 in 2024.

During the year dividends of £570,000 (2023: £1,045,000) were paid to directors of the Group.

Parent Company Statement of Financial Position

As at 31 December 2024

	Notes	£'000	2024 £'000	£'000	2023 £'000
Fixed assets					
Investments	34		**18,875**		18,297
Derivative financial asset	26		**5,770**		2,505
Current assets					
Debtors	35	**94,874**		86,053	
Current asset investments		**–**		26	
Cash at bank and in hand		**7,217**		4,376	
		102,091		90,455	
Creditors: amounts falling due within one year	36	**(9,756)**		(78,585)	
Net current assets			**92,335**		11,870
Total assets less current liabilities			**116,980**		32,672
Creditors: amounts falling due after more than one year	37		**(61,401)**		–
Derivative financial liability	26		**–**		–
Net assets			**55,579**		32,672
Capital and reserves					
Called up share capital	39		**4,437**		4,437
Share premium account			**5,491**		5,491
Treasury shares			**(1,088)**		(772)
Capital redemption reserve			**604**		604
Profit and loss account			**46,135**		22,912
Shareholders' funds			**55,579**		32,672

As permitted under Section 408 of the Companies Act 2006, no Income Statement or Statement of Comprehensive Income is presented for the parent company.

The Parent Company made a profit of £25,302,000 (2023: loss of £7,184,000).

The accounts were approved by the Board of Directors and authorised for issue on 20 May 2025. They were signed on its behalf by:

A.S. Perloff
Chairman

Parent Company Statement of Changes in Equity

For the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Treasury shares £'000	Capital redemption reserves £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2023	4,437	5,491	(772)	604	33,893	43,653
Profit for the year	–	–	–	–	(7,184)	(7,184)
Movement in fair value of investments taken to equity	–	–	–	–	19	19
Deferred tax relating to movement in fair value of investments taken to equity	–	–	–	–	(5)	(5)
Realised fair value on disposal of investments previously taken to equity	–	–	–	–	43	43
Realised deferred tax relating to disposal of investments previously taken to equity	–	–	–	–	(10)	(10)
Treasury share purchase	–	–	–	–	–	–
Dividends	–	–	–	–	(3,844)	(3,844)
Balance at 1 January 2024	4,437	5,491	(772)	604	22,912	32,672
Profit for the year	–	–	–	–	25,302	25,302
Movement in fair value of investments taken to equity	–	–	–	–	18	18
Deferred tax relating to movement in fair value of investments taken to equity	–	–	–	–	(4)	(4)
Treasury shares purchased	–	–	(316)	–	–	(316)
Dividends	–	–	–	–	(2,093)	(2,093)
Balance at 31 December 2024	**4,437**	**5,491**	**(1,088)**	**604**	**46,135**	**55,579**

Notes to the Parent Company Financial Statements

For the year ended 31 December 2024

32. Accounting policies for the Parent Company

The Parent Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

Basis of preparation of financial statements

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the exemption from providing certain comparative information;
- the exemption from preparing a statement of cash flows;
- the exemption from declaring compliance with IFRS;
- the exemption from disclosing aspects of capital risk management;
- the exemption from providing a reconciliation on the number of shares outstanding;
- the exemption from disclosing information about IFRS in issue but not yet adopted;
- the exemption from disclosing key management personnel compensation; and
- the exemption from disclosing transactions between wholly owned group members.

In relation to the following exemptions equivalent disclosures have been given in the consolidated financial statements:

- the exemption from certain financial instrument disclosures; and
- the exemption from certain fair value disclosures.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Judgements and key sources of estimation uncertainty of the Group, applicable to the consolidated financial statements have been disclosed in note 3 to the consolidated financial statements. The only additional judgement relates to the recoverability of intercompany balances. Apart from that there are no additional judgements and key sources of estimation uncertainty that are applicable to the Parent Company only.

Significant accounting policies

The accounting policies of the Parent Company are identical to those adopted in the Consolidated Financial Statements of the Group, where applicable, with the exception of revenue recognition and investments in subsidiaries and the assessment of balances such as intercompany receivables which are cancelled out on consolidation.

Revenue recognition

Turnover comprises dividend income from investments recognised when the Company's rights to receive payment have been established.

Notes to the Parent Company Financial Statements continued

32. Accounting policies for the Parent Company continued

Investments

Under IFRS 9, the Company has made an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or less to present subsequent changes through other comprehensive income. Fair values of these investments are based on quoted market prices where available. Investments in unquoted equity securities is also considered and measured at fair value. Movements in fair value are taken directly to equity. When these investments are considered impaired in accordance with the requirements of IFRS 9, under the expected credit loss model, the impairment losses are recognised in the Income Statement. The investments represent investments in listed and unquoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. Those shares that are expected to be held for the long term are shown as non-current assets and those that are held for short term are shown as current assets.

Investments in subsidiaries is recorded at cost less impairment.

Current asset investments are held for short term trading and are carried at fair value with movements in fair value recognised in the Income Statement.

Intercompany debtors

These are held at cost unless considered impaired. Impairment provisions for receivables from related parties are determined using the simplified approach to determine the expected credit loss.

33. Staff costs

	2024 £'000	2023 £'000
Staff costs, including Directors' remuneration, were as follows:		
Wages and salaries	**878**	853
Social security costs	**95**	91
Pension contributions	**22**	24
	995	968

The average monthly number of employees, including Directors, during the year was as follows:

	2024 Number	2023 Number
Directors	**7**	7
Other employees	**13**	13
	20	20

Notes to the Parent Company Financial Statements continued

34. Fixed asset investments

	Shares in Group undertakings £'000	Other investments £'000	Total £'000
Cost or valuation			
At 1 January 2024	18,132	165	18,297
Additions	5,900	18	5,918
Movement in fair value taken to equity	–	18	18
Voluntary winding up	(5,358)	–	(5,358)
At 31 December 2024	**18,674**	**201**	**18,875**
Investments:			
Listed	–	184	184
Unlisted	18,674	17	18,691

The above investments are shown at market value where there is an active market for these shares. The historic cost of listed investments is £378,000 (2023: £360,000).

For details of the Company's subsidiaries at 31 December 2024, see note 17.

35. Debtors

	2024 £'000	2023 £'000
Due less than one year:		
Other debtors	**37**	71
Corporation tax	**565**	–
Amounts owed by Group undertakings	**94,137**	85,833
Prepayments and accrued income	**135**	149
	94,874	86,053

36. Creditors

Amounts falling due within one year

	2024 £'000	2023 £'000
Trade creditors	**219**	38
Bank loans	**–**	64,101
Amounts owed to Group undertakings	**7,287**	13,205
Social security and other taxes	**62**	59
Other creditors	**86**	75
Accruals and deferred income	**708**	534
Due more than one year:		
Deferred tax (note 38)	**1,394**	573
	9,756	78,585

Notes to the Parent Company Financial Statements continued

37. Creditors

Amounts falling due after more than one year

	2024 £'000	2023 £'000
Bank loans	**61,401**	–

The bank loan is secured by first fixed charges on the properties held within the Group and floating charge over all the assets of the Company. The lenders have also taken fixed security over the shares held in the Group undertakings.

38. Deferred taxation

The following potential deferred taxation (liability)/asset is recognised:

	2024 £'000	2023 £'000
Fair value of investments	**49**	53
Fair value of financial instruments	**(1,443)**	(626)
	(1,394)	(573)

39. Called up share capital

	2024 £'000	2023 £'000
Authorised		
30,000,000 ordinary shares of £0.25 each	**7,500**	7,500
Allotted, called up and fully paid		
17,746,929 (2021: 17,746,929) ordinary shares of £0.25 each	**4,437**	4,437

The Company is limited by shares and has one class of ordinary shares which carry no right to fixed income.

During 2024, no ordinary shares were issued in the period (2023: nil). 378,000 (2023: 275,000) ordinary shares of £0.25 each are held in treasury representing 2.1% (2023 – 1.5%) of the Company's issued share capital.

40. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

The compensation of the Group's key management personnel is shown in note 8 to the financial statements and Directors' emoluments are shown in note 8 and the Directors' Report.

At 31 December 2024 included within creditors was, £10,000 (2023: 7,000) payable to the beneficiaries of the estate of late F Perloff, £8,000 was due from H Perloff (2023: £6,000 due to H Perloff), all close family members of a director. Movement in the year related to property management services. Also, A Perloff was owed £11,000 by the Group (2023: £3,000) at the year end. The balance owed by H Perloff at 31 December 2024 were cleared in early 2025.

At 31 December 2024 included within creditors was, £44,000 (2023: £21,000) owed to Maland Pension Fund a company sponsored pension scheme (for a director, A Perloff). This is a trading relationship as the balance owed was in relation to a jointly owned property where the interests were split and have been for many years. The company has not contributed for over a decade and there are no plans to make any further contributions.

Notes to the Parent Company Financial Statements continued

40. Related party transactions continued

Jonathan Rhodes is a non-executive director of Panther Securities PLC but also a partner in Cluttons, the Company obtain guidance on valuations from Cluttons in 2023 and paid a valuation fee totalling £11,000 in 2024.

During the year dividends of £570,000 (2023: £1,045,000) were paid to directors of the Group.

41. Risk management

For information on the Company's risk management please refer to note 27 of the Group accounts. As well as the risks mentioned in the Group accounts, the company is also exposed to credit risk on intercompany receivables. The risk will be low because the counterparties, the subsidiaries, have the adequate resources to settle the debt.

42. Events after the reporting period date

On 3 March 2025 the Company paid back £5,100,000 of the loan facility (using disposal proceeds), these funds can be redrawn.

43. Authorisation of financial statements and statement of compliance with FRS101

The financial statements of Panther Securities PLC (the "Company") for the year ended 31 December 2024 were authorised for issue by the Board of Directors on 20 May 2025 and the Statement of Financial Position was signed on the board's behalf by A S Perloff. Panther Securities PLC is incorporated and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest (£000's) except when otherwise indicated.

The results of Panther Securities PLC are included within the consolidated financial statements of Panther Securities PLC. The principal accounting policies adopted by the Company are set out in note 33.

Notice of Annual General Meeting

Arrangements for the 2025 Annual General Meeting (AGM).

The 91st Annual General Meeting of Panther Securities P.L.C. is planned to be held on 18 June 2025 at Oslo Court, Charlbert Street, St John's Wood, NW8 7EN at 11.15 am.

As Ordinary Business

1. To receive and adopt the Group Strategic Report, Directors' Report and Financial Statements for the year ended 31 December 2024 contained in the document entitled "Annual Report and Financial Statements 2024".

2. To ratify the payment of a final dividend of 6.0p per ordinary share as the final dividend.

3. To:

   3.1 Re-elect Peter Kellner who is retiring by rotation, as a Director.

   3.2 Re- elect Bryan Galan who is retiring by rotation, as a Director.

4. To reappoint auditors Crowe U.K. LLP and to authorise the Directors to determine their remuneration.

As Special Business

To consider, and, if thought fit, pass the following resolutions of which resolutions 5, 7 and 8 will be proposed as ordinary resolutions and resolution 6 as a special resolution.

5. That for the purposes of section 551 Companies Act 2006 (and so that expressions used in this resolution shall bear the same meaning as in the said section 551):

   5.1 the Directors be and are generally and unconditionally authorised to allot equity securities (as defined in section 560 of the Companies Act 2006) up to a maximum aggregate nominal amount of £2,400,000 to such persons and at such times and on such terms as they think proper during the period expiring at the earlier of 15 months from the date of passing of this resolution and the conclusion of the Annual General Meeting of the Company to be held in 2025 (unless previously revoked or varied by the Company in general meeting) except that the Company may before such expiry make any offer or agreement which could or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if such authority had not expired; and

   5.2 this resolution revokes and replaces all unexercised authorities previously granted to the directors pursuant to section 551 of the Companies Act 2006 but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to made pursuant to such authorities.

6. That, subject to the passing of resolution 5, set out in the Notice convening this Meeting, the Directors are empowered in accordance with section 571 of the Companies Act 2006 to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash, pursuant to the authority conferred on them to allot equity securities (as defined in section 560 of the Act) by that resolution and/or to sell equity securities held as treasury shares for cash pursuant to section 727 of the Companies Act 2006, in each case as if section 561 (1) of the Companies Act 2006 did not apply to any such allotment or sale, provided that the power conferred by this resolution shall be limited to:

   6.1 the allotment of equity securities in connection with an issue or offering in favour of or sale to holders of equity securities and any other persons entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective number of equity securities held by or deemed to be held by them on the record date of such allotment, subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws or requirements of any recognised regulatory body or stock exchange in any territory;

Notice of Annual General Meeting continued

6.2 the allotment or sale (otherwise than pursuant to paragraph 6.1 above) of equity securities up to an aggregate nominal value not exceeding £221,000; and

6.3 the power granted by this resolution, unless renewed, shall expire at the earlier of 15 months from the date of passing of this resolution and the conclusion of the Annual General Meeting of the Company to be held in 2025 but shall extend to the making, before such expiry, of an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

7. That the Company is generally and unconditionally authorised for the purpose of section 701 Companies Act 2006 to make market purchases (as defined in section 693 (4) of the said Act) of ordinary shares of 25p each in the capital of the Company ("ordinary shares") provided that the Company be and is hereby authorised to purchase its own shares by way of market purchase upon and subject to the following conditions:-

7.1 The maximum number of shares which may be purchased is 2,500,000 ordinary shares;

7.2 The maximum price (exclusive of expense) at which any share may be purchased is the price equal to 5 per cent, above the average of the middle market quotations of an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days preceding the date of such purchase, and the minimum price at which any share may be purchased shall be the par value of such share; and

7.3 The authority to purchase conferred by this Resolution shall expire at the conclusion of the next Annual General Meeting of the Company provided that any contract for the purchase of any shares as aforesaid which was concluded before the expiry of the said authority may be executed wholly or partly after the said authority expires.

8. That the directors be authorised to make a payment of up to £25,000 by a way of donation to the Reform Party.

The directors believe that the proposals in resolutions 1-7 are in the best interests of shareholders as a whole and they unanimously recommend that you vote in favour of the resolutions. The directors understand that everyone has their own personal political views so no recommendation one way or another has been made by the directors regarding resolution 8.

By order of the Board

S. J. Peters
Chief Executive Officer

Registered Office
Unicorn House
Station Close, Potters Bar
Hertfordshire EN6 1TL

20 May 2025

See over for notes.

Notice of Annual General Meeting continued

Notes

1. Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his stead. Such a proxy need not also be a member of the Company.

2. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

3. A proxy form is enclosed. To appoint a proxy, shareholders must complete:

    - a form of proxy and return it together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such authority, to MUFG Corporate Markets, 29 Wellington Street, Leeds, LS1 4DL; or
    - a CREST Proxy Instruction (as set out in paragraph 5 below);

    in each case so that it is received not later than 48 hours before the meeting. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment.

    Please read the notes on the proxy form. The return of a completed proxy form, will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so. Unless otherwise indicated on the Form of Proxy, CREST or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

5. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent RA10, by the latest time for receipt of proxy appointments set out in paragraph 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

6. CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

8. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/ she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the

Notice of Annual General Meeting continued

Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company

9. A statement of all transactions of each Director and his family interests in the share capital of the Company will be available for inspection at the Company's registered office during normal business hours from the date of this notice up to the close of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the meeting.

10. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company gives notice that only those shareholders included in the register of members of the Company at the close of business on 16 June 2025 or, if the meeting is adjourned, in the register of members at close of business. on the day which is two days before the day of any adjourned meeting, will be entitled to attend and to vote at the Annual General Meeting in respect of the number of shares registered in their names at that time. Changes to entries on the share register at close of business on 16 June 2025, or, if the meeting is adjourned, in the register of members at close of business. on the day which is two days before the day of any adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.

11. As at 9.00 a.m. on 20 May 2025, the Company's issued share capital comprised 17,368,929 ordinary shares of 25 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 9.00 a.m. on 20 May 2025 is 17,368,929.

12. Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

13. Any member attending the meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

14. If you have sold or otherwise transferred all your ordinary shares in the Company, please forward this annual report and accounts to the purchaser or transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

15. No Executive Director is employed under a contract of service.

16. You may not use any electronic address provided in this Notice, or any related documents including the proxy form, to communicate with the Company for any purposes other than those expressly stated.

17. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at www.pantherplc.com

Notice of Annual General Meeting continued

Explanatory Notes to the Notice of Annual General Meeting

The following notes provide an explanation as to why certain resolutions set out in the notice of the Annual General Meeting of the Company are to be put to shareholders.

All resolutions save for Resolution 8 are ordinary resolutions and will be passed if more than 50% of the votes cast for or against are in favour. Resolution 8 is a special resolution and requires 75% of the votes cast.

Resolution 1 – Laying of accounts and adoption of reports

The directors are required by the Companies Act 2006 to present to the shareholders of the Company at a general meeting the reports of the directors and auditors, and the audited accounts of the Company, for the year ended 31 December 2024. The report of the directors and the audited accounts have been approved by the directors, and the report of the auditors has been approved by the auditors. A copy of each of these documents may be found in the document entitled "Annual Report and Financial Statements 2024".

Resolutions 3.1 and 3.2 – Re-election of directors

In accordance with the Articles of Association of the Company Peter Kellner and Bryan Galan will both stand for re-election as a directors of the Company. Biographical information for the directors and details of why the Board believes that they should be re-elected is shown in the Corporate Governance Report.

Resolution 4 – Auditors' appointment and remuneration

The Companies Act 2006 requires that auditors be appointed at each general meeting at which accounts are laid, to hold office until the next such meeting. The resolution seeks shareholder approval for the appointment of Crowe LLP and the giving to the Directors the authority to determine the remuneration of the auditors for the audit work to be carried out by them in the next financial year. The amount of the remuneration paid to the auditors for the next financial year will be disclosed in the next audited accounts of the Company.

Resolution 5 – Authority to the directors to allot shares

The Companies Act 2006 provides that the directors may only allot shares if authorised by shareholders to do so. Resolution 5 will, if passed, authorise the directors to allot shares and to grant rights to subscribe for, or convert securities into, shares up to a maximum nominal amount of £2,400,000, which represents an amount which is approximately equal to 55% of the issued ordinary share capital of the Company as at 20 May 2025 the latest practicable date prior to the publication of the notice.

Resolution 6 – Dis-application of statutory pre-emption rights

The Companies Act 2006 requires that, if the Company issues new shares for cash or sells any treasury shares, it must first offer them to existing shareholders in proportion to their current holdings. It is proposed that the directors be authorised to issue shares for cash and/or sell shares from treasury up to an aggregate nominal amount of £222,000 (representing approximately 5% of the Company's issued ordinary share capital as at 20 May 2025, the latest practicable date prior to the publication of the notice) without offering them to shareholders first in order to raise a limited amount of capital easily and quickly if needed. The resolution also modifies statutory pre-emption rights to deal with legal, regulatory or practical problems that may arise on a rights or other pre-emptive offer or issue. If resolution 7 is passed, this authority will expire at the same time as the authority to allot shares given pursuant to resolution 6.

Notice of Annual General Meeting continued

Resolution 7 – Purchase of own shares by the Company

If passed, this resolution will grant the Company authority for a period of up to the end of the next annual general meeting to buy its own shares in the market. The resolution limits the number of shares that may be purchased to 5% of the Company's issued share capital as at 20 May 2025, the latest practicable date prior to the publication of the notice. The price per ordinary share that the Company may pay is set at a minimum amount (excluding expenses) of 25 pence per ordinary share and a maximum amount (excluding expenses) of 5% over the average of the previous five business days' middle market prices. The directors will only make purchases under this authority if they believe that to do so would result in increased earnings per share and would be in the interests of the shareholders generally.

Resolution 8 – Payment of up to £25,000 by a way of donation to the Reform Party

This resolution is most likely to be decided by a Poll. Andrew Perloff has confirmed that he will not vote his personal or Portnard Ltd's holding on this resolution.

For your notes

PANTHER
SECURITIES PLC

Panther Securities P.L.C.
Unicorn House
Station Close
Potters Bar
Hertfordshire EN6 1TL
www.pantherplc.com