

Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.

20 May 2025

## **Panther Securities P.L.C.**

**("the Company" or "the Group")**

### **Financial results for the year ended 31 December 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.

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.

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](http://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.

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.

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.

**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	2020
<b>Gross profit margin</b> (gross profit/turnover)	55%	54%	57%	65%	73%
<b>Loan to value*</b>	38%	39%	39%	36%	38%
<b>Interest cover (actual) *</b>	299%	317%	297%	281%	259%
<b>Finance cost rate</b> (finance costs excluding lease portion/ average borrowings for the year)	5.8%	6.7%	7.0%	7.5%	7.0%
<b>Yield</b> (rents investment properties/ average market value investment properties)	8.4%	8.4%	8.2%	7.9%	7.8%
<b>Net assets value per share</b>	669p	640p	637p	553p	488p
<b>Earnings per share – continuing</b>	38.4p	25.3p	96.6p	76.4p	14.9p
<b>Dividend per share**</b>	12.0p	22.0p	12.0p	12.0p	12.0p
<b>Investment property acquisitions</b>	£0.3m	£3.4m	£8.9m	£0.8m	£5.5m
<b>Investment property disposal proceeds</b>	£4.5m	£1.0m	£1.2m	£15.8m	£0.7m

\* 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.

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 work 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 potentially be 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, so 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 reproping upperparts and selling long term vacant properties (often following achieving planning).

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 of the full Annual Report) 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.

### **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.

### **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.

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:

<b>Risk</b>	<b>Impact</b>	<b>Action taken to mitigate</b>
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.

### ***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 upkeep 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.

*(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

**CONSOLIDATED INCOME STATEMENT**  
**For the year ended 31 December 2024**

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

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 31 December 2024**

	Notes	31 December 2024 £'000	31 December 2023 £'000
<b>Profit for the year</b>		6,687	4,423
<i><b>Items that will not be reclassified subsequently to profit or loss</b></i>			
Movement in fair value of investments taken to equity		18	19
Deferred tax relating to movement in fair value of investments taken to equity		(4)	(5)
Realised fair value on disposal of investments previously taken to equity		-	43
Realised deferred tax relating to disposal of investments previously taken to equity		-	(10)
<b>Other comprehensive income for the year, net of tax</b>		14	47
<b>Total comprehensive income for the year</b>		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	31 December 2023
		£'000	£'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment		47	42
Investment properties	4	182,204	185,169
Derivative financial asset	6	4,945	2,505
Right of use asset		179	221
Investments		201	165
		<u>187,576</u>	<u>188,102</u>
<b>Current assets</b>			
Stock properties		101	350
Investments		-	26
Derivative financial asset		825	-
Trade and other receivables		4,630	3,250
Cash and cash equivalents (restricted)		2,604	954
Cash and cash equivalents		5,038	4,198
		<u>13,198</u>	<u>8,778</u>
<b>Total assets</b>		<u>200,774</u>	<u>196,880</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		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
<b>Total equity</b>		<u>116,160</u>	<u>111,872</u>
<b>Non-current liabilities</b>			
Borrowings	5	61,401	-
Deferred tax liabilities		5,232	4,225
Leases		8,190	8,113
		<u>74,823</u>	<u>12,338</u>
<b>Current liabilities</b>			
Trade and other payables		9,341	8,528
Borrowings	5	-	64,101
Current tax payable		450	41
		<u>9,791</u>	<u>72,670</u>
<b>Total liabilities</b>		<u>84,614</u>	<u>85,008</u>
<b>Total equity and liabilities</b>		<u>200,774</u>	<u>196,880</u>

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
<b>Balance at 1 January 2023</b>	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
<b>Balance at 1 January 2024</b>	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)
<b>Balance at 31 December 2024</b>	4,437	5,491	(1,088)	572	106,748	116,160

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2024**

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cash flows from operating activities</b>		
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)
<b>Profit before working capital change</b>	<b>6,845</b>	<b>5,689</b>
Decrease in assets held for resale	-	191
Decrease in stock properties	249	-
Increase in receivables	(397)	(72)
Increase in payables	838	690
<b>Cash generated from operations</b>	<b>7,535</b>	<b>6,498</b>
Interest paid	(3,366)	(3,856)
Income tax paid	(572)	(361)
<b>Net cash generated from operating activities</b>	<b>3,597</b>	<b>2,281</b>
<b>Cash flows from investing activities</b>		
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
<b>Net cash generated from/(used in) investing activities</b>	<b>4,301</b>	<b>(2,243)</b>
<b>Cash flows from financing activities</b>		
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)
<b>Net cash (used)/generated from financing activities</b>	<b>(5,408)</b>	<b>656</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,490</b>	<b>694</b>
<b>Cash and cash equivalents at the beginning of year*</b>	<b>5,152</b>	<b>4,458</b>
<b>Cash and cash equivalents at the end of year*</b>	<b>7,642</b>	<b>5,152</b>

\* 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**

While the financial information included in this preliminary announcement has been prepared in accordance with International Financial Reporting Standards (IFRSs), this announcement does not itself contain sufficient information to comply with IFRSs. The Group will publish full financial statements that comply with IFRSs which will shortly be available on its website and are to be posted to shareholders shortly.

The financial information set out in the announcement does not constitute the Company's statutory accounts for the years ended 31 December 2024 or 2023.

The financial information for the year ended 31 December 2024 is derived from the audited statutory accounts for the year ended 31 December 2024 on which the auditors have given an unqualified report, that did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006. The statutory accounts will be delivered to the Registrar of Companies following the Company's annual general meeting.

The accounting policies adopted in the preparation of this preliminary announcement are consistent with those set out in the latest Group Annual financial statements.

#### ***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.

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.

## 2. Dividends

Amounts recognised as distributions to equity holders in the period:

	<b>2024</b> <b>£'000</b>	<b>2023</b> <b>£'000</b>
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.

## 3. 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.

## 4. Investment properties

	<b>Investment properties £'000</b>
<b>Fair value</b>	
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
	185,169
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	<u>182,204</u>
<b>Carrying amount</b>	
At 31 December 2024	<u>182,204</u>
At 31 December 2023	<u>185,169</u>

## 5. Bank loans

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans due within one year ( <i>within current liabilities</i> )	-	64,101
Bank loans due after more than one year ( <i>within non-current liabilities</i> )	61,401	-
Total bank loans	<u>61,401</u>	<u>64,101</u>

  

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

\*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.

## 6. 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.

	<b>2024</b>		<b>2023</b>	
	<b>£'000</b>		<b>£'000</b>	
		<b>Rate</b>		<b>Rate</b>
Bank loans				
Interest is charged as to:				
Fixed/ Hedged				
HSBC Bank plc	35,000	3.40%	35,000	6.10%
HSBC Bank plc	25,000	2.01%	25,000	4.71%
Unamortised loan arrangement fees	(644)		(149)	
Floating element				
HSBC Bank plc	2,045		4,250	
	<u>61,401</u>		<u>64,101</u>	

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.

	<b>Hedged amount</b>	<b>Average rate</b>	<b>Duration of contract remaining</b>	<b>2024 Fair value</b>	<b>2023 Fair value</b>
	<b>£'000</b>		<b>'years'</b>	<b>£'000</b>	<b>£'000</b>
<b>Derivative Financial</b>					
<b>Asset/ (Liability)</b>					
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
				<u>5,770</u>	<u>2,505</u>
<b>Net fair value gain/(loss) on derivative financial assets</b>				<u>3,265</u>	<u>(1,962)</u>

The rates shown includes a 2.3% margin (2023 – 2.7%). Neither contracts include break options in the term but are repayable on a cessation of lending.

## 7. 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.

## **8. Copies of the full set of Report and Accounts**

Copies of the Company's report and accounts for the year ended 31 December 2024, which will be posted to shareholders shortly, will be available from the Company's registered office at Unicorn House, Station Close, Potters Bar, Hertfordshire, EN6 1TL and will be available for download on the Group's website [www.pantherplc.com](http://www.pantherplc.com).

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

### **Panther Securities PLC**

Andrew Perloff, Chairman

Simon Peters, CEO & Finance Director

**+44 (0) 1707 667 300**

### **Allenby Capital Limited**

**(Nominated Adviser and Joint Broker)**

Alex Brearley

Piers Shimwell

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